

Consolidated Transportation Bonds are limited obligations issued by the Maryland Department of Transportation (Department) for highway, port, airport or mass transit facilities, or any combination of such facilities. The principal must be paid within 15 years from the date of issue.

As provided by law, the General Assembly shall establish in the budget for any fiscal year a maximum outstanding aggregate amount of these Consolidated Transportation Bonds as of June 30 of the respective fiscal year that does not exceed \$1,200,000,000. The aggregate principal amount of those bonds that was allowed to be outstanding as of June 30, 1999, was \$963,000,000. The aggregate principal amount of Consolidated Transportation Bonds outstanding as of June 30, 1999, was \$749,130,000. Consolidated Transportation Bonds are paid from the transportation debt service fund. Principal and interest on Consolidated Transportation Bonds are payable from the proceeds of certain excise taxes levied by statute and a portion of the corporate income tax credited to the Department. These amounts are available to the extent necessary for that exclusive purpose before being available for other uses by the Department. If those tax proceeds become insufficient to meet debt service requirements, other receipts of the Department are available for that purpose. The holders of such bonds are not entitled to look to other State resources for payment.

Under the terms of the authorizing bond resolutions, additional Consolidated Transportation Bonds may be issued, provided, among other conditions, that (i) total receipts (excluding Federal funds for capital projects, bond and note proceeds, and other receipts not available for debt service), less administration, operation and maintenance expenses, for the preceding fiscal year, equal at least two times the maximum annual debt service on all Consolidated Transportation Bonds outstanding and to be issued, and that (ii) total proceeds from pledged taxes equal at least two times the maximum annual debt service on all Consolidated Transportation Bonds outstanding and to be issued.

County Transportation Bonds are issued by the Department, and the proceeds are used by participating counties and Baltimore City to fund local road construction, reconstruction and other transportation projects and facilities, and to provide local participating funds for federally-aided highway projects. Debt service on these bonds is payable from the counties' and Baltimore City's shares of highway user revenues.

Legislation was enacted during the 1993 session of the General Assembly that established an alternative County transportation bond program. This new legislation provides features similar to the previous program except that the County transportation debt will be the obligation of the participating counties rather than the Department.

As of June 30, 1999, Department bond debt service requirements for principal and interest in future years are as follows (amounts expressed in thousands).

Years Ending June 30	Consolidated Transportation Bonds	County Transportation Bonds	Total Transportation Bond Debt Service Requirements
2000 .....	\$133,267	\$869	\$134,136
2001 .....	105,741	873	106,614
2002 .....	109,246	878	110,124
2003 .....	114,444	886	115,330
2004 .....	117,286	885	118,171
2005 .....	118,854	891	119,745
2006 .....	83,856	888	84,744
2007 .....	44,919	892	45,811
2008 .....	29,682		29,682
2009 .....	21,132		21,132
2010 .....	16,768		16,768
2011 .....	6,450		6,450
2012 .....	6,150		6,150

*Maryland Transportation Authority Bonds —*

Bonds outstanding as of June 30, 1999, are as follows (amounts expressed in thousands).

Series 1991 Revenue bonds, maturing in annual installments from \$5,215 to \$8,200 from July 1, 1999, to July 1, 2005, with interest rates ranging from 6% to 6.5%, payable semiannually .....	\$ 45,500
Series 1992 Revenue bonds, maturing in annual installments from \$5,360 to \$14,570 from July 1, 1999, to July 1, 2013, with interest rates ranging from 4.6% to 5.8%, payable semiannually .....	78,100
Capital appreciation bonds maturing in annual installments of original principal and an accreted amount ranging from \$3,000 to \$15,420 from July 1, 2004, to July 1, 2015, with approximate yield to maturity of 6% to 6.35% .....	62,224
Current interest term bonds with interest payable semiannually at 5.75%, due July 1, 2015 .....	27,020
Serial bonds maturing in annual installments ranging from \$180 to \$9,510 from July 1, 1999 to July 1, 2006 with interest rates ranging from 3.8% to 5.0%, payable semiannually .....	16,380
Series 1994, Special Revenue bonds maturing in annual installments from \$3,830 to \$12,230 from July 1, 1999 to June 30, 2020, with interest rates ranging from 4.10% to 6.30% payable semiannually .....	115,265
<b>Total .....</b>	<b>\$344,489</b>