November 1, 2012

The Honorable Martin O'Malley  
Governor of Maryland  
State House  
Annapolis MD 21401

The Honorable Peter Franchot  
Comptroller of Maryland  
80 Calvert Street Room 121  
Annapolis MD 21401

The Honorable Thomas V. Mike Miller, Jr.  
President of the Senate  
State House, Room H101  
Annapolis MD 21401

The Honorable Nancy K. Kopp  
Treasurer of Maryland  
80 Calvert Street, Room 109  
Annapolis MD 21401

The Honorable Michael E. Busch  
Speaker of the House of Delegates  
State House, Room H107  
Annapolis MD 21401

Dear Madam and Gentlemen:

Executive Order 01.01.1998.07 requires the Secretary of the Department of Budget and Management to report to the General Assembly and the Board of Public Works on Debt Issued by Maryland State Agencies and Authorities. The report provides an overview and information on certain agencies authorized to issue debt, the general purpose of the debt, and a summary of debt issued by each agency during fiscal year 2012. As noted in the overview, the report covers agency debt that is neither under the purview of the Capital Debt Affordability Committee, with the exception of the Maryland Transportation Authority’s Grant and Revenue Anticipation Bonds and Bay Restoration Bonds, nor otherwise constrained by State or federal limitations.

Appendix Table I provides summary data on debt issued, redeemed, and outstanding for fiscal year 2012 and compares debt outstanding at the end of fiscal years 2008 through 2012; Appendix Table II illustrates debt issued in fiscal years 2011 and 2012 for those agencies subject to issuance levels required by the Executive Order.

Sincerely,

T. Eloise Foster  
Secretary

Enclosure

cc: Christopher Godwin  
Rebecca Burner  
MSAR 1425

~Effective Resource Management~
43 Calvert Street • Annapolis, MD 21401-1907
Tel: (410) 260-7412 • Fax: (410) 974-5634 • TTY Free: 1 (800) 705-3491 • TTY Users: call via Maryland Relay  
http://www.dbm.maryland.gov
DEBT ISSUED BY MARYLAND STATE AGENCIES AND INDEPENDENT AUTHORITIES

FISCAL YEAR 2012

Presented to the Board of Public Works and the Maryland General Assembly

Department of Budget and Management
November 1, 2012
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OVERVIEW OF STATE AGENCY DEBT PROGRAM

Executive Order 01.01.1998.07 was issued by the Governor on February 10, 1998. It rescinded Executive Order 01.01.1989.13 and re-established procedures by which the Department of Budget and Management plans and reviews State agency debt and recommends to the Governor the level of debt issuances for certain State agencies each year.

Under the Executive Order, the Department of Budget and Management continues to monitor and coordinate issuances of debt by State agencies. The Department of Budget and Management recommends annual debt issuance levels for the Maryland Environmental Service, Maryland Food Center Authority, Maryland Transportation Authority, and Maryland Water Quality Financing Administration. In general, debt of these issuers is not State tax-supported debt under the purview of the Capital Debt Affordability Committee, constrained by the federal private activity bond cap, pass-through or on-behalf-of debt, or otherwise limited by statute. Notification of the debt levels must be sent to the Board of Public Works, the respective State agencies, and reported in the Maryland Register. The Governor may modify debt issuance levels during the fiscal year.

All State agencies and independent authorities authorized to issue debt are required to report each bond transaction of $25 million or more to the Department of Budget and Management 30 days prior to the proposed date of issue.

The Executive Order requires annual reports by the Department of Budget and Management to the General Assembly and the Board of Public Works on financing transactions and levels of outstanding debt of those agencies whose debt is not limited in amount by State law.
STATE AGENCIES
SUBJECT TO
DEBT ISSUANCE LEVELS
Purpose of the Debt:

Title 3 of the Natural Resources Article authorizes the Maryland Environmental Service (MES) to issue debt to provide financing or refinancing for the acquisition, construction and improvement of water supply systems and waste facilities. MES enters into agreements with local governments to construct and operate water and wastewater treatment and solid waste disposal facilities. Additionally, MES is responsible for all water and wastewater treatment plants at State-owned facilities and may provide assistance to local systems.

Security and Revenue Authorized for Pledge:

The issuance of debt by MES does not create or constitute any indebtedness or obligation of the State or any political subdivision. MES pledges its revenue from the operation of water and wastewater, solid waste, and recycling facilities as security for debt. Governmental entities may charge a fee or a special tax to repay obligations due MES.

DEBT ISSUANCE:

2012 Approved Amount/Issued: $26,200,000/$0

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$27,514,811

SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

None
Purpose of the Debt:

Title 13 of Article 41 authorizes the Maryland Food Center Authority to issue debt to finance the cost of development or projects that facilitate the wholesale food industry.

Security and Revenue Authorized for Pledge:

The issuance of bonds by the Authority does not create or constitute any indebtedness or obligation of the State or of any political subdivision. Debt may be secured by a trust agreement, which may include revenues received from projects and money realized from the sale, rental and other payments relating to the projects.

DEBT ISSUANCE:

2012 Approved Amount/Issued: $0/$0

OUTSTANDING DEBT AS OF JUNE 30, 2012:

None

SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

None
Purpose of the Debt:

Title 4 of the Transportation Article authorizes the Maryland Transportation Authority to issue debt to finance the capital costs of transportation facilities projects, which include the Potomac River Bridge (Harry W. Nice), the Chesapeake Bay Bridge, the Outer Harbor Bridge (Francis Scott Key), the Baltimore Harbor Tunnel, the Fort McHenry Tunnel, the Susquehanna River Bridge, the John F. Kennedy Memorial Highway (including the Express Toll Lanes “ETL” project), the Intercounty Connector, projects at Baltimore/Washington Thurgood Marshall International Airport, and certain parking garage projects located in Maryland.

Security and Revenue Authorized for Pledge:

The debt is secured by revenues collected from various toll facilities; generated by gas stations and restaurants on the John F. Kennedy Memorial Highway; and revenues received from the Maryland Aviation Administration (Passenger Facility Charges), parking facility revenues, Customer Facility Charges; and parking garage lease revenues payable by the Washington Metropolitan Area Transit Authority and the State Department of General Services.

Revenue Bonds issued for the Annapolis parking garage facility in 2005 and Grant and Revenue Anticipation (GARVEE) Bonds issued for the Intercounty Connector in 2007 and 2008 are considered State tax supported debt and are, therefore included in the Capital Debt Affordability Committee analysis. The GARVEE bonds are secured by annual allocations of federal aid available to the State of Maryland and a subordinated pledge of certain State tax revenues deposited to the Maryland Transportation Trust Fund.

DEBT ISSUANCE:

2012 Approved Amount/Issued: $102,000,000/$97,567,294

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$3,279,699,619
SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

TITLE & AMOUNT: $67,610,000 Transportation Facilities Projects Revenue Refunding Bonds Series 2012 (Tax-Exempt Bonds)

ISSUANCE DATE: February 28, 2012

CREDIT ENHANCEMENT: None

RATING: Fitch: ------------------------ AA­
Moody’s: ---------------------- Aa3
Standard and Poor’s: ------ AA-

INTEREST RATE: Series 2012-------------- 3.00% - 5.00% (coupons)

LONGEST MATURITY: 2029

PURPOSE: Partially refinanced and defeased the Authority’s Transportation Facilities Projects Revenue Bonds, Series 2004, in the par amount of $70,495,000 to achieve net present value savings in debt service of 13.76 percent of the refunded bonds.

TITLE & AMOUNT: $50,905,000 Passenger Facility Charge Revenue Bonds

ISSUANCE DATE: April 25, 2012

CREDIT ENHANCEMENT: None

RATING: Fitch: ------------------------ A
Moody’s: ---------------------- A2
Standard and Poor’s": ----- A

INTEREST RATE: Series 2012A-------------- 4.00% - 5.00% (Coupons)

LONGEST MATURITY: 2032

PURPOSE: Financed the costs of certain improvements at BWI including: the construction of a passenger connector hallway between the secured side of Concourse B and C; the expansion and improvement of Concourse C; and other related costs associated with improving passenger screening times.

ISSUANCE DATE: April 25, 2012

CREDIT ENHANCEMENT: None

RATING: Fitch: ------------------------ A-
Moody’s: ------------------------ A2
Standard and Poor’s**: ----- A

INTEREST RATE: Series 2012 A ---------------- 4.00% - 5.00% (Coupons)
Series 2012 B ---------------- 4.00% - 5.00% (Coupons)

LONGEST MATURITY: 2027

PURPOSE: Fully refinanced and defeased the Authority’s Airport Parking Revenue Bonds Baltimore / Washington International Airport Projects, Series 2002A and 2002B. The total par value of the refunded bonds was $201,175,000 and achieved a net present value savings in debt service of 13.71 percent of the refunded bonds.

TITLE & AMOUNT: $516,000,000 Transportation Facilities Projects Revenue Bonds Series 2008A

ISSUANCE DATE: December 19, 2008 – Agency drew down in FY 2012

CREDIT ENHANCEMENT: None

RATING: Fitch: ------------------------ AA-

INTEREST RATE: On drawn funds -------------- 2.56%

LONGEST MATURITY: 2047

PURPOSE: Financed part of the Intercounty Connector (ICC).
MARYLAND WATER QUALITY FINANCING ADMINISTRATION

Purpose of Debt:

Title 9 of the Environment Article authorizes the Maryland Water Quality Financing Administration to issue bonds.

For the Revolving Loan Fund (RLF) Programs, the bond proceeds are used to make loans to local governments for the construction, acquisition, or refinancing of wastewater facilities. These State revolving funds provide loans and other forms of financial assistance to finance, among other things, the construction of publicly owned wastewater treatment facilities. States receiving federal capitalization grants must provide an amount equal to 20 percent of the capitalization grants for deposit to the State revolving funds.

Legislation enacted by the 2004 General Assembly authorized the Administration to issue bonds to fund the Bay Restoration Fund, which will be used to provide grants to upgrade wastewater treatment plants. Security for the bonds is the revenues from a fee imposed on users of wastewater facilities. The bonds are considered State tax supported; therefore, issuances will also be incorporated into the analysis of the Capital Debt Affordability Committee.

Security and Revenue Authorized for Pledge:

The issuance of bonds by the Administration does not create or constitute any indebtedness or obligation of the State or of any political subdivision. Bonds are payable solely from the revenue of the Administration received in connection with the respective projects financed or refinanced. Deposits in funds and accounts maintained under the indenture are also used as security for the bonds.

DEBT ISSUANCE:

2012 Approved Amount/Issued: $180,000,000/$0 for the Bay Restoration Fund

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$96,562,238 (includes Revolving Loan Fund and Bay Restoration Fund)

SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

None
OTHER STATE AGENCIES 
AND 
DEPARTMENTS
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT ADMINISTRATION
MULTI-FAMILY PROGRAM

Purpose of the Debt:

Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland authorize the Community Development Administration to issue debt through its Multi-Family Program to provide loan financing for the construction and rehabilitation of multi-family rental housing developments for limited income families.

Security and Revenue Authorized for Pledge:

The Community Development Administration pledges revenues from mortgage loan repayments and other permissible income of the program as security. In addition, mortgage loans generally are insured by the Maryland Housing Fund, the Federal Housing Administration or other entities of the United States government with similar powers, or secured by various forms of credit enhancement. Also, CDA holds Government National Mortgage Association (GNMA) mortgage-backed securities that are issued in connection with mortgage loans for multifamily projects. The Maryland Housing Fund is an instrumentality of the State created to provide insurance on loans made under the multi-family and single family housing programs.

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$765,835,000 (including Stand-Alone Indentures)
SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

TITLE & AMOUNT: $39,875,000 Multifamily Mortgage Revenue Bonds
               $16,685,000 Series 2011C (Non-AMT) and
               $23,190,000 Series 2009A-7 (Non-AMT)

CLOSING DATE: December 1, 2011

CREDIT ENHANCEMENT: Loan – FHA Risk Sharing Program

RATING: Moody’s: --------------------- Aaa

INTEREST RATE:
Series 2011 C: -------------- 0.75% - 4.95%
Series 2009 A-7: ------------ 3.55%

MATURITY:
Series 2011 C
Series 2009 A-7: --------- 2051

PURPOSE: Provided funds to finance the following three multifamily projects:
         Halpine Hamlet (67 units); Hiltop Phase I (198 units) and Park View at Fullerton (90 units). In addition, $875,000 of bond proceeds was deposited into the debt service reserve fund.
Purpose of the Debt:

Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland authorize the Community Development Administration to issue debt through its Single Family Program to provide financing for the acquisition of owner-occupied single family residences by qualified purchasers. To qualify, purchasers must fall within the income limitations set by the Administration and federal tax law. The income limits range from 100% of the Area or Statewide Median Income for a one- or two-member household in a Non-Targeted Area to 140% of the Area or Statewide Median Income for a three or more member household in a Targeted Area. Based on the annual determination of the median income and other factors determined by law, the actual dollar limits may change at least annually.

Security and Revenue Authorized for Pledge:

The Community Development Administration pledges revenues from mortgage loan repayments and other permissible income of the program as security. In addition, mortgage loans generally are secured by various forms of credit enhancement, which can include insurance provided through the FHA, the Department of Veteran Affairs, Rural Housing Services, private mortgage insurers, and the Maryland Housing Fund (an instrumentality of the State created to provide insurance on loans made under the multi-family and single family housing programs).

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$2,271,215,000
SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

TITLE & AMOUNT: $100,770,000 Single Family Housing Revenue Bonds  
$40,310,000 2011 Series A (Non-AMT) and  
$60,460,000 2009 Series A-I (Program Bonds) (Non-AMT)

CLOSING DATE: August 25, 2011

CREDIT ENHANCEMENT: Government National Mortgage Association (GNMA) guarantee and mortgage insurance guarantee programs provided by FHA, VA, or USDNRD

RATING: Moody’s: ------------------ Aaa

INTEREST RATE:  
Series 2011 A: --------------- 0.20% to 4.25%  
Series 2009 A-I: ------------- 2.77%

LONGEST MATURITY:  
Series 2011 A: ------------- 2027  
Series 2009 A-I: ---------- 2041

PURPOSE: Provided funds to finance mortgage loans through the purchase of GNMA Certificates. The $60,460,000 Series 2009 A-I was released from the 2009 A taxable variable rate escrow bonds dated December 30, 2009.

TITLE & AMOUNT: $100,000,000 Single Family Housing Revenue Bonds  
$40,000,000 2011 Series B (Non-AMT)  
$60,000,000 2009 Series A-2 (Non-AMT)

CLOSING DATE: October 27, 2011

CREDIT ENHANCEMENT: Government National Mortgage Association (GNMA) guarantee and mortgage insurance guarantee programs provided by FHA, VA, or USDA/RD

RATING: Moody’s: ------------------ Aaa

INTEREST RATE:  
Series 2011 B: ------------- 0.07% - 4.00%  
Series 2009 A-2: ----------- 2.32%

LONGEST MATURITY:  
Series 2011 B: ------------- 2027  
Series 2009 A-2: ---------- 2041

PURPOSE: Provided funds to finance mortgage loans through the purchase of GNMA Certificates. The $60,000,000 Series 2009 A-2 was released from the 2009 A taxable variable rate escrow bonds dated December 30, 2009.
TITLE & AMOUNT: $56,385,000 Single Family Housing Revenue Bonds
               $22,555,000 2011 Series C (Non-AMT)
               $33,830,000 2009 Series A-3 (Non-AMT)

CLOSING DATE: December 15, 2011

CREDIT ENHANCEMENT: Government National Mortgage Association (GNMA) guarantee and mortgage insurance guarantee programs provided by FHA, VA, or USDA/RD

RATING: Moody’s: -------------------- Aaa

INTEREST RATE: Series 2011 C: -------------------- 0.40% - 4.50%
                Series 2009 A-3: -------------------- 2.49%

LONGEST MATURITY: Series 2011 C: ------------------- 2027
                   Series 2009 A-3: ------------------- 2041

PURPOSE: Provided funds to finance mortgage loans through the purchase of GNMA Certificates. The $33,830,000 Series 2009 A-3 was released from the 2009 A taxable variable rate escrow bonds dated December 30, 2009.
Purpose of the Debt:

Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland authorize the Department of Housing and Community Development’s Community Development Administration to issue debt through its Local Infrastructure Program to finance local public infrastructure projects. The bond proceeds are loaned to local governments to fund various capital projects for roads, sewer and water systems, municipal buildings, and public schools.

Security and Revenue Authorized for Pledge:

To secure its debt, the Community Development Administration pledges loan repayments made by the local governments and other income of the program. Participating local governments execute an agreement with the State that pledges their full faith and credit or other assets and revenues deemed acceptable. In the event of default, the agreement provides for the Comptroller and the State Treasurer to intercept any State payments due participating local governments.

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$122,820,000
SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

TITLE & AMOUNT: $12,275,000 Local Government Infrastructure Bonds
Series 2011 A

CLOSING DATE: August 31, 2011

CREDIT ENHANCEMENT: Loans – Obligations of the participating local governments

RATING: Moody’s: Aa2

INTEREST RATE: Series 2011 A: 2.00% - 5.00%

LONGEST MATURITY: 2032

PURPOSE: Refinanced the infrastructure loan of the City of Cumberland and funded the Debt Service Reserve Fund.

TITLE & AMOUNT: $13,970,000 Local Government Infrastructure Bonds
$9,550,000 2012 Series A-1 (Senior Obligation)
$4,420,000 2012 Series A-2 (Subordinate Obligation)

CLOSING DATE: May 17, 2012

CREDIT ENHANCEMENT: Loans – Obligations of the participating local governments

RATING: Series 2012 A-1: Moody’s: Aa2
Series 2012 A-2: Moody’s: Aa2

INTEREST RATE: Series 2012 A-1: 1.00% - 3.50%
Series 2012 A-2: 1.00% - 3.60%

LONGEST MATURITY: 2032

PURPOSE: Provided funding to finance and refinance infrastructure loans for six local governments:
• Town of Berlin
• Town of Centreville
• Town of Charlestown
• Town of Chestertown
• Town of Snow Hill
• City of Laurel
Purpose of the Debt:

Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland authorize the Community Development Administration to issue debt to finance community development projects. The Community Development Administration acts as the conduit issuer on behalf of a "pool" of local housing authorities. The bond proceeds are loaned to local housing authorities to fund renovations and repairs in public housing developments.

Security and Revenue Authorized for Pledge:

The Quality Housing and Work Responsibility Act of 1998 gives local housing authorities the ability to use their capital fund allocation (from HUD) for "the development, financing, and modernization of public housing projects..." The "financing" language provides for the underlying authority to use these funds to pay debt service on a bond issue. HUD has approved the securitization of future capital fund appropriations to be used for debt service on bonds as an eligible capital fund expense.

To secure the debt, the Community Development Administration pledges loan repayments made by the participating housing authorities and other income of the program. Participating housing authorities execute an agreement with the State that pledges their future capital fund appropriations from HUD, which are paid directly by HUD to a trustee.

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$69,480,000

SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS

None
MARYLAND INDUSTRIAL DEVELOPMENT FINANCING AUTHORITY

Purpose of Debt:

Title 5, Subtitle 4, of the Economic Development Article authorizes the Maryland Industrial Development Financing Authority (MIDFA) to issue debt for the financing and refinancing of capital acquisition and improvement projects promoting economic development, business retention, and new industry.

Legislation enacted by the 2000 General Assembly consolidated certain financing assistance programs (Chapter 305, Acts 2000) and expanded the authority of the Maryland Industrial Development Financing Authority to include financing energy projects effective July 1, 2000. The legislation also replaced various insurance and guarantee funds, including the Authority’s Bond Insurance Fund and Authorized Purpose Insurance Fund, with the Industrial Development Fund for the purpose of providing insurance for bonds and other obligations.

The prior issuance of bonds by the Maryland Energy Financing Administration (MEFA) did not create or constitute any indebtedness or obligation of the State or of any political subdivision. To the extent those bonds were secured by trust agreements, such agreements remain in place.

Security and Revenue Authorized for Pledge:

The issuance of bonds by the Authority does not create or constitute any indebtedness or obligation of the State or of any political subdivision. Security for financing by MIDFA varies slightly with each transaction; it is primarily from revenues generated by the facility or project.

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$495,606,880
### SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

**TITLE & AMOUNT:** $38,000,000 Limited Obligation Maryland Industrial Development Financing Authority Economic Development Revenue Bonds (McDonough School Facility) Series 2011

<table>
<thead>
<tr>
<th>Series</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 A</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>2011 B</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>2011 C</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>2011 D</td>
<td>$6,000,000</td>
</tr>
</tbody>
</table>

**CLOSING DATE:** October 27, 2011

**CREDIT ENHANCEMENT:** None

**RATING:** Standard and Poor's: A+

**INTEREST RATE:** Series 2011 A: 3.00% - 4.00%, Series 2011 B: Variable, Series 2011 C: Variable, Series 2011 D: Variable

**LONGEST MATURITY:** 2040

**PURPOSE:** Provided funds for various capital improvements to the math building, student center, central power plant, two parking lots, and a storm water management pond.

**TITLE & AMOUNT:** $25,980,765 Limited Obligation Maryland Industrial Development Financing Authority Economic Development Refunding Revenue Bond (National Aquarium in Baltimore Facility) Series 2012

**CLOSING DATE:** June 27, 2012

**CREDIT ENHANCEMENT:** None

**RATING:** None

**INTEREST RATE:** Series 2012: 2.84% for 10 years

**LONGEST MATURITY:** 2025

**PURPOSE:** Refinanced $34,000,000 existing uninsured Maryland Industrial Development Financing Authority tax-exempt variable and fixed rate bonds issued in 2002.
Purpose of the Debt:

Title 3, Subtitle 5, of the Transportation Article authorizes the Department of Transportation to issue revenue bonds on behalf of participating counties to enable the counties to finance the cost of transportation facilities. The revenue bonds are debt of the participants.

Security and Revenue Authorized for Pledge:

To secure this debt, the Department of Transportation pledges loan repayments made by the participating counties. Participating counties execute an agreement with the Department that pledges their full faith and credit or other assets and revenues deemed acceptable. The participating county may pledge its share of highway user revenues, in which case, the Comptroller and the State Treasurer may cause such funds to be paid to the Department. Currently, bonds outstanding under this program are repaid from the participants’ share of highway user revenues.

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$82,945,000

SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:

None
DEPARTMENT OF TRANSPORTATION
NON-TRADITIONAL DEBT

The provisions of Executive Order 01.01.1998.07 provide for the Department of Budget and Management to report on issuances of debt other than that limited in amount by State law and other than that issued by the Board of Public Works. The intent is to report on those debt issuances that are not otherwise reviewed, considered, and reported upon – generally, debt other than that deemed State tax supported debt by the Capital Debt Affordability Committee.

In the case of the Department of Transportation, nontraditional debt is defined as anything that is not a Consolidated Transportation Bond or a GARVEE and includes issuances by MEDCO and the Maryland Transportation Authority on behalf of the Department as well as Certificates of Participation issued by the Department. The definition does not distinguish between State tax supported and non-State tax supported.

The only debt included in this section of the report is nontraditional, non-State tax supported debt issued by the Department. To date, that includes three Certificates of Participation – one in the original amount of $42,750,000 issued in 1999 for airport-related projects and refunded in the amount of $19,610,000 issued in fiscal year 2011, one in the original amount of $33,000,000 issued in fiscal year 2001 for parking facilities at the MARC BWI rail station and refunded in the amount of $13,070,000 issued in fiscal year 2011, and one in the original amount of $26,530,000 issued in fiscal year 2006 for the construction of a warehouse facility at the Port of Baltimore. The Board of Public Works approved all of these issues. At June 30, 2012, debt outstanding on the one original issue and two refunded issues was $51,050,000.

Other nontraditional, non-State tax supported debt outstanding includes $364,905,000 issued by the Transportation Authority and $188,200,000 issued by MEDCO; that debt is included in the total amount of debt outstanding for those agencies. Also included in outstanding nontraditional debt is an additional $22,550,000 issued by MEDCO for the Department’s headquarters which is tax supported and included in the Capital Debt Affordability Committee analysis.

There was an issuance by the Department in fiscal year 2005 of nontraditional debt in the amount of a $15,500,000 Certificate of Participation to finance airport shuttle buses. This debt is considered tax supported, however, and falls under the purview of the Capital Debt Affordability Committee; it is not included in this report.

In summary, nontraditional, non-State tax supported transportation debt outstanding at June 30, 2012, totals $604,155,000, while total nontraditional debt totals $627,815,000. A limit of $633,105,000 was set by language in the fiscal year 2012 budget bill and was increased to $927,815,000. After appropriate notification to and concurrence of the General Assembly budget committees, for the purpose of financings for BWI Thurgood Marshall airport through the Maryland Transportation Authority. One of those financings did not occur in fiscal year 2011 but will in fiscal year 2013.
OUTSTANDING DEBT AS OF JUNE 30, 2012:
$51,050,000

SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS:
None
STATE AND INDEPENDENT AUTHORITIES AND CORPORATIONS
Purpose of Debt:

Title 10, Subtitle 1 of the Economic Development Article authorizes the Maryland Economic Development Corporation (MEDCO) to issue bonds to finance or refinance capital improvement projects related to economic development in such areas as manufacturing, retail, trade, service and supply industries, wholesaling, and warehousing. Such projects are designed to enhance technological change, strengthen the State's economy, and complement existing State marketing programs administered by the Department of Business and Economic Development.

Security and Revenue Authorized for Pledge:

The issuance of bonds by MEDCO does not create or constitute any indebtedness or obligation of the State or of any political subdivision. Bonds are typically secured by a lien on the property and are payable from revenues of the project or borrower. Furthermore, some of the bonds issued by MEDCO are limited obligations payable solely from amounts payable by participating institutions under the loan or lease agreements executed in connection with the issuance of the bonds or revenues of the project financed.

OUTSTANDING DEBT AS OF JUNE 30, 2012:
(Includes notes issued to other State agencies and financing programs)

$745,157,360
| TITLE & AMOUNT:                      | $800,000- Line of Credit |
| CLOSING DATE:                      | September 19, 2011      |
| CREDIT ENHANCEMENT:               | None                   |
| RATING:                           | None                   |
| INTEREST RATE:                     | Line of Credit 9.00%   |
| LONGEST MATURITY:                 | None                   |
| PURPOSE:                          | Finance working capital for Rocky Gap Lodge and Resort. |

<p>| TITLE &amp; AMOUNT:                      | $170,910,000 Maryland Public Health Lab Project Series 2011 |
| CLOSING DATE:                      | December 8, 2011      |
| CREDIT ENHANCEMENT:               | None                   |
| RATING:                           | Moody’s: Aa1          |
|                                  | Standard and Poor’s: AA+ |
| INTEREST RATE:                     | Series 2011 3.61%     |
| LONGEST MATURITY:                 | 2031                  |
| PURPOSE:                          | Provided funds for land acquisition, predevelopment, development and construction of a new State Health Laboratory facility. |</p>
<table>
<thead>
<tr>
<th>TITLE &amp; AMOUNT:</th>
<th>$18,000,000 YMCA of Central Maryland, Inc. Series 2011</th>
</tr>
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<tbody>
<tr>
<td>CLOSING DATE:</td>
<td>December 29, 2011</td>
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<tr>
<td>CREDIT ENHANCEMENT:</td>
<td>None</td>
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<tr>
<td>RATING:</td>
<td>None</td>
</tr>
<tr>
<td>INTEREST RATE:</td>
<td>Series 2011 --------------- Variable</td>
</tr>
<tr>
<td>LONGEST MATURITY:</td>
<td>2036</td>
</tr>
<tr>
<td>PURPOSE:</td>
<td>Provided funding to refinance previously issued MEDCO bonds and additional capital projects.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TITLE &amp; AMOUNT:</th>
<th>$109,360,000 United States Pharmacopeial Convention Series 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSING DATE:</td>
<td>March 29, 2012</td>
</tr>
<tr>
<td>CREDIT ENHANCEMENT:</td>
<td>None</td>
</tr>
<tr>
<td>RATING:</td>
<td>None</td>
</tr>
<tr>
<td>INTEREST RATE:</td>
<td>Series 2012 --------------- Variable</td>
</tr>
<tr>
<td>LONGEST MATURITY:</td>
<td>2038</td>
</tr>
<tr>
<td>PURPOSE:</td>
<td>Refinanced previously issued MEDCO bonds.</td>
</tr>
</tbody>
</table>
MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY

Purpose of Debt:

Title 10, Subtitle 3 of the Economic Development Article authorizes the Maryland Health and Higher Educational Facilities Authority (MHHEFA) to issue bonds for the purpose of financing and refinancing the capital acquisition and improvement projects essential to the operation of non-profit health, higher education, and non-collegiate institutions.

Security and Revenue Authorized for Pledge:

Bonds issued by the MHHEFA do not create or constitute any indebtedness or obligation of the State or of any political subdivision. Furthermore, bonds issued by the MHHEFA are limited obligations payable solely from amounts payable by participating institutions under the loan or lease agreements executed in connection with the issuance of the bonds or revenues of the project financed. MHHEFA has no outstanding debt constituting a general obligation of the Authority or a pledge of its faith and credit. Repayment funds may include the mortgaging of a project, a collateral fund, reserves and sinking funds, rentals, fees and other charges.

OUTSTANDING DEBT AS OF JUNE 30, 2012:

$8,913,060,000
## SUMMARY OF FISCAL YEAR 2012 TRANSACTIONS

<table>
<thead>
<tr>
<th>TITLE &amp; AMOUNT:</th>
<th>$57,205,000 Revenue Bonds, Adventist HealthCare Series 2011 A</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSING DATE:</td>
<td>September 1, 2011</td>
</tr>
<tr>
<td>CREDIT ENHANCEMENT:</td>
<td>None</td>
</tr>
<tr>
<td>RATING:</td>
<td>Moody’s --------------- Baa2</td>
</tr>
<tr>
<td>INTEREST RATE:</td>
<td>Series 2011 A ------------ Variable</td>
</tr>
<tr>
<td>LONGEST MATURITY:</td>
<td>2036</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TITLE &amp; AMOUNT:</th>
<th>$74,615,000 Revenue Bonds, Johns Hopkins Health System Series 2011 A</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSING DATE:</td>
<td>November 10, 2011</td>
</tr>
<tr>
<td>CREDIT ENHANCEMENT:</td>
<td>Fitch ----------------- AA-</td>
</tr>
<tr>
<td></td>
<td>Moody’s --------------- Aa3</td>
</tr>
<tr>
<td></td>
<td>Standard and Poor’s ------ AA-</td>
</tr>
<tr>
<td>RATING:</td>
<td>None</td>
</tr>
<tr>
<td>INTEREST RATE:</td>
<td>Series 2011 A -------------- 2.00% - 5.00%</td>
</tr>
<tr>
<td>LONGEST MATURITY:</td>
<td>2026</td>
</tr>
<tr>
<td>PURPOSE:</td>
<td>Refunded the Authority’s revenue bonds: Johns Hopkins Hospital Issue Series 2001.</td>
</tr>
</tbody>
</table>
TITLE & AMOUNT: $48,245,000 Revenue Bonds, Johns Hopkins Health System Series 2011 B

CLOSING DATE: November 10, 2011

CREDIT ENHANCEMENT: None

RATING: Fitch ------------------------- AA-
Moody’s ------------------------ Aa3
Standard and Poor’s -------- AA-

INTEREST RATE: Series 2011 B ------------ Variable

LONGEST MATURITY: 2042

PURPOSE: Refunded the Authority’s revenue bonds: Johns Hopkins Health System Obligated Group Issue, Series 2008 B.

TITLE & AMOUNT: $94,920,000 Revenue Bonds, MedStar Health Series 2011

CLOSING DATE: November 17, 2011

CREDIT ENHANCEMENT: None

RATING: Fitch ------------------------- AA-
Moody’s ------------------------ Aa3
Standard and Poor’s -------- AA-

INTEREST RATE: Series 2011 ------------ 2.00% - 5.00%

LONGEST MATURITY: 2041

PURPOSE: Refunded a portion of the Authority's revenue bonds: Medlantic/Helix Issue, Series 1998 A and 1998 B.

Refunded the County Commissioners of St. Mary’s County, Maryland General Obligation Hospital Bonds, Series 2002.

Refinanced indebtedness incurred to refund certain revenue bonds and financed a termination payment of an interest swap agreement and additional capital projects.

Refinanced the loan issued under the Authority’s Pooled Loan Program to St. Mary's Hospital of St. Mary's County, Inc.
TITLE & AMOUNT: $35,680,000 Revenue Bonds, Greater Baltimore Medical Center Series 2012 A
CLOSING DATE: April 11, 2012
CREDIT ENHANCEMENT: None
RATING: Moody's ------------------ A2
Standard and Poor's ------ A
INTEREST RATE: Series 2012 A -------------- 3.25% - 5.00%
LONGEST MATURITY: 2034
PURPOSE: Refunded the Authority’s revenue bonds: Greater Baltimore Medical Center Issue, Series 2001.

TITLE & AMOUNT: $49,995,000 Revenue Bonds, Mercy Medical Center Series 2012
CLOSING DATE: April 25, 2012
CREDIT ENHANCEMENT: None
RATING: Moody’s ------------------ Baa2
Standard and Poor’s ------ BBB
INTEREST RATE: Series 2012 ------------------ 4.00% - 5.00%
LONGEST MATURITY: 2031
PURPOSE: Refunded the Authority’s revenue bonds: Mercy Medical Center, Series 2001.
TITLE & AMOUNT: $97,560,000 Revenue Bonds, Johns Hopkins Health System Series 2012 B

CLOSING DATE: May 3, 2012

CREDIT ENHANCEMENT: None

RATING: Fitch -------------------------- AA- 
Moody's -------------------------- Aa3 
Standard and Poor's ------- AA-

INTEREST RATE: Series 2012 B -------------- 2.00% - 5.00%

LONGEST MATURITY: 2033

PURPOSE: Provided funds for the remaining costs of constructing two new patient towers.

TITLE & AMOUNT: $86,025,000 Revenue Bonds, Ascension Health Alliance Series 2012 B

CLOSING DATE: May 10, 2011

CREDIT ENHANCEMENT: None

RATING: Fitch -------------------------- AA+ 
Moody's -------------------------- Aa1 
Standard and Poor's ------- AA+

INTEREST RATE: Series 2012 B -------------- 5.00%

LONGEST MATURITY: 2051

PURPOSE: Provided funds to construct and equip a new patient tower at St. Agnes Hospital.
TITLE & AMOUNT: $59,780,000 Revenue Bonds, Carroll Hospital Center Series 2012 A

CLOSING DATE: May 31, 2012

CREDIT ENHANCEMENT: None

RATING: Fitch --------------------- BBB+
Moody’s --------------------- A3

INTEREST RATE: Series 2012 A ----------- 2.00% - 5.00%

LONGEST MATURITY: 2037

PURPOSE: Refunded the Authority’s revenue bonds: Carroll County General Hospital Issue, Series 2002.

TITLE & AMOUNT: $49,250,000 Revenue Bonds Loyola University Series 2012 A

CLOSING DATE: June 7, 2012

CREDIT ENHANCEMENT: None

RATING: Moody’s --------------------- A2
Standard and Poor’s ------ A

INTEREST RATE: Series 2012 A ----------- 2.00% - 5.00%

LONGEST MATURITY: 2039

PURPOSE: Provided funds for the costs associated with an interest rate swap termination.

Refunded the Authority’s revenue bonds:
- Loyola College Issue, Series 1999
- Loyola College Issue, Series 2007
- A portion of the Loyola College Issue, Series 2008
| TITLE & AMOUNT: | $153,150,000 Revenue Bonds, Johns Hopkins University Series 2012 A |
| CLOSING DATE: | June 14, 2012 |
| CREDIT ENHANCEMENT: | None |
| RATING: | Fitch ----------------------------- AA+  
Moody’s --------------------- Aa2  
Standard and Poor’s -------- AA |
| INTEREST RATE: | Series 2012 A------------------- 4.00% - 5.00% |
| LONGEST MATURITY: | 2041 |
| PURPOSE: | Refunded the Authority’s revenue bonds:  
• Johns Hopkins University issue, Series 2001 B  
• Johns Hopkins University Issue, Series 2002 A |

| TITLE & AMOUNT: | $21,945,000 Revenue Bonds, Notre Dame of Maryland University Series 2012 |
| CLOSING DATE: | June 25, 2012 |
| CREDIT ENHANCEMENT: | None |
| RATING: | Fitch ----------------------------- BBB+  
Moody’s --------------------- Baa1 |
| INTEREST RATE: | Series 2012 A------------------- 2.00% - 5.00% |
| LONGEST MATURITY: | 2042 |
| PURPOSE: | Provided funds for a portion of the costs of renovating and improving a student life facility. Provided funds to construct an addition to the School of Nursing and renovate and improve other facilities on campus.  
Refunded the Authority’s revenue bonds: College of Notre Dame of Maryland Issue, Series 1998. |
TITLE & AMOUNT: $10,000,000 Commercial Paper Revenue Notes
Johns Hopkins Health System Series C

CLOSING DATE: October 5, 2011

CREDIT ENHANCEMENT: None

RATING: Fitch -------------------------- F1+
Moody’s ------------------------ P-1
Standard and Poor’s -------- A-1+

INTEREST RATE: Series C-------------------------- Variable

LONGEST MATURITY: 2026

PURPOSE: Provided funds to finance routine renovations, improvements, and
equipment acquisition.

TITLE & AMOUNT: $3,200,000 Non-Bank Qualified Loan, Chesapeake Academy
Issue 2011

CLOSING DATE: August 17, 2011

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Issue 2011-------------------------- Variable

LONGEST MATURITY: 2036

PURPOSE: Provided funds to finance capital improvements and refinance
existing debt.

Refunded the Authority’s revenue bonds: Chesapeake Academy
| TITLE & AMOUNT: | $59,980,000 Non-Bank Qualified Loan, Adventist HealthCare Issue 2011B |
| CLOSING DATE: | September 1, 2011 |
| CREDIT ENHANCEMENT: | None |
| RATING: | None |
| INTEREST RATE: | Issue 2011B ----------- Variable |
| LONGEST MATURITY: | 2021 |
| PURPOSE: | Refunded a portion of the Authority's revenue bonds:  
- Adventist HealthCare Issue, Series 2004A  
- Adventist HealthCare Issue, Series 2005B |

| TITLE & AMOUNT: | $6,855,000 Non-Bank Qualified Loan, Green Acres School Issue 2011 |
| CLOSING DATE: | September 29, 2011 |
| CREDIT ENHANCEMENT: | None |
| RATING: | None |
| INTEREST RATE: | Issue 2011 ----------- Variable |
| LONGEST MATURITY: | 2031 |
| PURPOSE: | Provided funds to refinance existing debt under the Authority's Pooled Loan Program, Series D.  
Refunded the Authority's revenue bonds: Green Acres School Issue, Series 1998. |
TITLE & AMOUNT: $50,000,000 Non-Bank Qualified Loan, Upper Chesapeake Hospital Issue 2011 A

CLOSING DATE: October 12, 2011

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Issue 2011 ------------------ 3.67% for 10 years

LONGEST MATURITY: 2043

PURPOSE: Provided funds to acquire, construct, renovate and equip a cancer center and underground parking garage.

TITLE & AMOUNT: $2,430,962 Non-Bank Qualified Loan, the Barnesville School Issue 2011 A

CLOSING DATE: December 1, 2011

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Issue 2011 ------------------ Variable

LONGEST MATURITY: 2031

PURPOSE: Provided funds to refinance a loan incurred to acquire certain real property and improve school facilities.

Refunded the Authority's revenue bonds: The Barnesville School Issue, Series 2009.
TITLE & AMOUNT: $1,000,000 Non-Bank Qualified Loan, the Barnesville School Issue 2011 B

CLOSING DATE: December 1, 2011

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Issue 2011 -------------------- Variable

LONGEST MATURITY: 2033

PURPOSE: Provided funds to renovate existing school facilities.

TITLE & AMOUNT: $8,800,000 Non-Bank Qualified Loan, Severn School Issue 2011 B

CLOSING DATE: December 7, 2011

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Issue 2011 --------------------- Variable

LONGEST MATURITY: 2036

PURPOSE: Provided funds to renovate existing school facilities.

Refunded the Authority’s revenue bonds: Severn School Issue, Series 2006
TITLE & AMOUNT: $118,450,000 Non-Bank Qualified Loan, Upper Chesapeake Hospitals Issue 2011 B and 2011 C

CLOSING DATE: December 14, 2011

CREDIT ENHANCEMENT: None

RATING: Issue 2011 C Fitch --------- BBB+

INTEREST RATE: Issue 2011 B ---------------- Variable
Issue 2011 C ---------------- Variable

LONGEST MATURITY: 2040

PURPOSE: Refunded the Authority's revenue bonds:
• Upper Chesapeake Hospitals Issue, Series 2008 A
• Upper Chesapeake Hospitals Issue, Series 2008 B

TITLE & AMOUNT: $53,510,000 Non-Bank Qualified Loan, Johns Hopkins Health System Series 2012 A

CLOSING DATE: February 15, 2012

CREDIT ENHANCEMENT: None

RATING: Fitch ---------------- AA-
Moody's ---------------- Aa3
Standard and Poor's ------ AA-

INTEREST RATE: Series 2012 A ------------ Variable

LONGEST MATURITY: 2023

PURPOSE: Refinanced the Authority's commercial paper revenue notes: Johns Hopkins Health System Issue, Series A
<table>
<thead>
<tr>
<th>TITLE &amp; AMOUNT:</th>
<th>$34,032,000 Non-Bank Qualified Loan, Sheppard Pratt Series 2012 A</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSING DATE:</td>
<td>March 1, 2012</td>
</tr>
<tr>
<td>CREDIT ENHANCEMENT:</td>
<td>None</td>
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<tr>
<td>RATING:</td>
<td>None</td>
</tr>
<tr>
<td>INTEREST RATE:</td>
<td>Series 2012 A --------- Variable</td>
</tr>
<tr>
<td>LONGEST MATURITY:</td>
<td>2036</td>
</tr>
<tr>
<td>PURPOSE:</td>
<td>Refunded the Authority’s revenue bonds: Sheppard Pratt Issue, Series 2003 A.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TITLE &amp; AMOUNT:</th>
<th>$62,182,000 Non-Bank Qualified Loan, Sheppard Pratt Series 2012 B</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSING DATE:</td>
<td>March 1, 2012</td>
</tr>
<tr>
<td>CREDIT ENHANCEMENT:</td>
<td>None</td>
</tr>
<tr>
<td>RATING:</td>
<td>None</td>
</tr>
<tr>
<td>INTEREST RATE:</td>
<td>Series 2012 A --------- Variable</td>
</tr>
<tr>
<td>LONGEST MATURITY:</td>
<td>2035</td>
</tr>
</tbody>
</table>
| PURPOSE: | Refunded the Authority’s revenue bonds:  
- Sheppard Pratt Issue, Series 2003 B  
- Sheppard Pratt Issue, Series 2009 |
TITLE & AMOUNT: $12,620,000 Non-Bank Qualified Loan, French International School Series 2012
CLOSING DATE: March 22, 2012
CREDIT ENHANCEMENT: None
RATING: None
INTEREST RATE: Series 2012 A --------------- Variable
LONGEST MATURITY: 2034
PURPOSE: Refunded the Authority’s revenue bonds: French International School Issue, Series 2004

TITLE & AMOUNT: $15,010,000 Non-Bank Qualified Loan, Carroll Hospital Center Issue 2012 B
CLOSING DATE: May 31, 2012
CREDIT ENHANCEMENT: None
RATING: None
INTEREST RATE: Series 2012 B ------------- Variable
LONGEST MATURITY: 2037
PURPOSE: Refunded the Authority’s revenue bonds: Carroll Hospital Center Issue 2002.
| TITLE & AMOUNT: | $15,000,000 Non-Bank Qualified Loan, Carroll Hospital Center Issue 2012 C |
| CLOSING DATE: | May 31, 2012 |
| CREDIT ENHANCEMENT: | None |
| RATING: | None |
| INTEREST RATE: | Issue 2012 C -------------- Variable |
| LONGEST MATURITY: | 2042 |
| PURPOSE: | Provided funds to acquire, improve, and equip a cancer center. |

| TITLE & AMOUNT: | $8,000,000 Non-Bank Qualified Loan, Charles County Nursing and Rehabilitation Center Issue 2012 A and 2012 B |
| CLOSING DATE: | June 19, 2012 |
| CREDIT ENHANCEMENT: | None |
| RATING: | None |
| INTEREST RATE: | Issue 2012 A -------------- 2.98% for 7 years  
Issue 2012 B -------------- 2.98% for 7 years |
| LONGEST MATURITY: | 2037 |
| PURPOSE: | Provided funds to construct additional resident rooms and renovations to existing facilities.  
Refunded the Authority's revenue bonds: Charles County Nursing and Rehabilitation Center Issue, Series 2007. |
TITLE & AMOUNT: $5,350,000 Non-Bank Qualified Loan, St. Mary’s Nursing Center Issue 2012

CLOSING DATE: June 19, 2012

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Issue 2012 ----------------- 2.98% for 7 years

LONGEST MATURITY: 2037

PURPOSE: Refinanced a loan incurred to acquire the nursing center and finance capital improvements to the existing facility.

TITLE & AMOUNT: $32,595,000 Non-Bank Qualified Loan, Loyola University Series 2012 B

CLOSING DATE: June 26, 2012

CREDIT ENHANCEMENT: None

RATING: None

INTEREST RATE: Series 2012 B ----------------- 4.32% for 10 years

LONGEST MATURITY: 2026

PURPOSE: Refunded the Authority’s revenue bonds: Loyola College Issue, Series 2008.
TITLE & AMOUNT: $38,620,000 Non-Bank Qualified Loan, MedStar Health Issue 2012
CLOSING DATE: June 27, 2012
CREDIT ENHANCEMENT: None
RATING: None
INTEREST RATE: Issue 2012 ------------------- 2.19% for 10 years
LONGEST MATURITY: 2022
PURPOSE: Refunded a portion of the Authority’s revenue bonds:
• Medlantic / Helix Issue, Series 1998 A
• Medlantic / Helix Issue, Series 1998 B

TITLE & AMOUNT: $31,150,000 Non-Bank Qualified Loan, Pickersgill Series 2012
CLOSING DATE: June 28, 2012
CREDIT ENHANCEMENT: None
RATING: Standard and Poor’s -------- A
INTEREST RATE: Series 2012---------------------- Variable
LONGEST MATURITY: 2034
PURPOSE: Refunded the Authority’s revenue bonds:
• Pickersgill Issue, Series 2005 A
• Pickersgill Issue, Series 2005 B
### APPENDIX TABLE I
Debt Outstanding at Year End
Fiscal Years 2007-2011
(in thousands of $)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Agencies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>with Debt Issuance Levels</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maryland Environmental Service</td>
<td>18,692</td>
<td>19,783</td>
<td>28,458</td>
<td>31,152</td>
<td>27,515</td>
</tr>
<tr>
<td>Maryland Food Center Authority</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maryland Transportation Authority</td>
<td>1,877,426</td>
<td>2,247,143</td>
<td>2,708,185</td>
<td>3,292,916</td>
<td>3,279,700</td>
</tr>
<tr>
<td>Water Quality Financing Authority</td>
<td>154,860</td>
<td>139,961</td>
<td>126,266</td>
<td>112,021</td>
<td>96,862</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,050,977</td>
<td>2,406,887</td>
<td>2,862,909</td>
<td>3,436,089</td>
<td>3,403,776</td>
</tr>
<tr>
<td><strong>Other State Agencies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maryland Industrial Development Financing Authority (a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Development Administration:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multifamily</td>
<td>539,995</td>
<td>540,935</td>
<td>595,280</td>
<td>569,170</td>
<td>539,250</td>
</tr>
<tr>
<td>Multi-Family Stand Alone</td>
<td>208,725</td>
<td>257,850</td>
<td>261,885</td>
<td>255,155</td>
<td>226,585</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>135,130</td>
<td>121,635</td>
<td>109,700</td>
<td>127,155</td>
<td>122,820</td>
</tr>
<tr>
<td>Pooled Public Housing Authority</td>
<td>85,895</td>
<td>81,970</td>
<td>77,935</td>
<td>73,775</td>
<td>69,480</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,897,473</td>
<td>3,802,401</td>
<td>3,983,646</td>
<td>3,993,969</td>
<td>3,858,952</td>
</tr>
<tr>
<td><strong>Authorities and Corporations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maryland Economic Development Corporation (b)</td>
<td>2,093,993</td>
<td>2,115,112</td>
<td>2,329,862</td>
<td>2,471,221</td>
<td>2,471,221</td>
</tr>
<tr>
<td>Health and Higher Educational Facilities Authority</td>
<td>8,204,796</td>
<td>8,468,806</td>
<td>8,660,732</td>
<td>8,656,361</td>
<td>8,913,060</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,298,789</td>
<td>10,581,918</td>
<td>10,990,594</td>
<td>11,127,582</td>
<td>11,384,281</td>
</tr>
</tbody>
</table>

(a) Legislation effective January 1, 2002, repealed the statute creating the Maryland Energy Financing Administration; outstanding debt issued by MEFA is included with Maryland Industrial Development Financing Authority debt.

(b) Reflects an adjustment to the amount estimated in the State Agency Debt Report for fiscal year 2008 and 2009.
### APPENDIX TABLE I (Continued)

Debt Issued, Redeemed, and Outstanding

**Fiscal Year 2012**

(in thousands of $)

<table>
<thead>
<tr>
<th>Increases (6/30/2011)</th>
<th>Decreases (6/30/2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstand</td>
<td>Issues</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### State Agencies with Debt Issuance Levels

**Maryland Environmental Service: Bonds**

- Increases: 22,613
- Accreted Interest: 6 (2,151)
- Outstanding: 20,468

**Equipment Financing**

- Increases: 8,539
- Other: (1,492)
- Outstanding: 7,047

**Maryland Food Center Authority (a)**

- Increases: -
- Other: -
- Outstanding: -

**Maryland Transportation Authority (b)**

- Increases: 3,292,916
- Accreted Interest: 11,336 (98,700)
- Other: 271,670
- Outstanding: 3,279,700

**Water Quality Financing Administration**

- Increases: 112,021
- Accreted Interest: 201 (15,660)
- Outstanding: 96,562

#### Other State Agencies and Departments

**Community Development Administration:**

- **Multifamily**: 569,170
- Accreted Interest: (46,605)
- Outstanding: 539,250

- **Multi-Family Stand Alone (d)**
  - Increases: 255,155
  - Accreted Interest: (28,570)
  - Outstanding: 226,585

- **Single Family and Draw Down Bonds**: 2,340,575
  - Accreted Interest: (172,225)
  - Outstanding: 2,271,215

- **Local Infrastructure**: 127,155
  - Accreted Interest: (30,580)
  - Outstanding: 122,820

- **Pooled Public Housing Authority**: 73,775
  - Accreted Interest: (4,295)
  - Outstanding: 69,480

- **Maryland Industrial Development Financing Authority**: 484,789
  - Accreted Interest: (24,528)
  - Outstanding: 495,607

**Department of Transportation:**

- **County Transportation Revenue Bonds**: 89,135
  - Accreted Interest: (6,190)
  - Outstanding: 82,945

- **Certificates of Participation (non-State tax support)**
  - Increases: 54,215
  - Accreted Interest: (3,165)
  - Outstanding: 51,050

#### Authorities and Corporations

**Maryland Economic Development Corporation**

- **Bonds and notes**: 760,026
  - Increases: 1,020
  - Accreted Interest: 1,490 (16,339)
  - Other: (1,126)
  - Outstanding: 740,070

- **Capital leases**: 197
  - Accreted Interest: (110)
  - Outstanding: 87

- **Conduit Debt**: 1,710,998
  - Increases: 311,960
  - Accreted Interest: (247,263)
  - Outstanding: 1,775,696

- **Health and Higher Educational Facilities Authority**: 8,656,361
  - Increases: 1,397,155
  - Accreted Interest: (1,140,456)
  - Outstanding: 8,913,060
(a) The Food Center's fiscal year 2002 financial statements (as well as the State's) reflect the obligations to the State as being satisfied at 6/30/02.

(b) Balances for zero coupon bonds are stated at their current liability (i.e., balances include liability for interest accreted through each year ended) and includes revenue bonds issued for the Calvert Street Parking Garage in Annapolis and GARVEE bonds issued for the Intercounty Connector which are deemed State tax supported debt and are, therefore, included in the Capital Debt Affordability Committee analysis.

(c) Includes an amount for the amortization of deferred interest incurred on prior years' refundings, which results in an increase to bonds payable.

(d) These issues are conduit financings and are not included in the financial statements of the Revenue Obligation Funds. They are secured solely by the revenues generated by the projects and any credit enhancements; neither the General Bond Reserve Fund nor any other assets are pledged.

(e) Includes debt issued by MEDCO for DOT headquarters, which is deemed State tax supported debt and is, therefore, included in the Capital Debt Affordability Committee analysis.

(f) May not equal the amount of bonds sold, in the case where not all of the proceeds have been drawn.

(g) The refunded bonds reflect current refundings with redemptions occurring in FY 2011.
## APPENDIX TABLE II
### State Agency Debt Issuance Levels
*(in thousands of $)*

<table>
<thead>
<tr>
<th></th>
<th>FISCAL YEAR 2011</th>
<th></th>
<th>FISCAL YEAR 2012</th>
<th></th>
<th>FISCAL YEAR 2013</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approved</td>
<td>Issued</td>
<td>Approved</td>
<td>Issued</td>
<td>Approved</td>
<td>Issued</td>
</tr>
<tr>
<td>Maryland Environmental Service</td>
<td>26,200</td>
<td>20,791</td>
<td>26,200</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
</tr>
<tr>
<td>Maryland Food Center Authority</td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Maryland Transportation Authority</td>
<td>775,000</td>
<td>673,669</td>
<td>102,000</td>
<td>97,567</td>
<td>435,000</td>
<td>435,000</td>
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<tr>
<td>Water Quality Financing Administration</td>
<td>150,000</td>
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<td>180,000</td>
<td>0</td>
<td>170,000</td>
<td>170,000</td>
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<tr>
<td><strong>Total</strong></td>
<td>951,200</td>
<td>694,460</td>
<td>308,200</td>
<td>97,505</td>
<td>625,000</td>
<td>625,000</td>
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