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Maryland Reassures Bondholders, Outlines Funding Sources to Rebuild Bridge: WSJ

The operator of the Francis Scott Key Bridge moved to reassure creditors, saying the Baltimore bridge's collapse won't affect debt payments and giving some details on its plans to rebuild.

The Maryland Transportation Authority said it has \$400 million of unrestricted cash reserves, plus \$431 million of cash on hand for construction projects. It also holds \$350 million of single-event property insurance.

Tolls on the Key Bridge represented only about 7% of the state agency's toll revenue. Much of the rerouted traffic will go through tunnels on which the MDTA also collects tolls, it told bondholders in a municipal bond filing late Wednesday.

"The MDTA is partnering with State, local, and federal agencies in reconstructing the bridge," it said.

Money to rebuild the bridge could come from insurance payouts, cash on hand, bond proceeds, and federal funds. The filing said it isn't clear how much the reconstruction will cost.

by Heather Gillers

The Wall Street Journal