

### Outlook

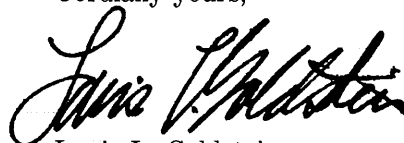
Economic expansion is expected to continue throughout 1985 and 1986, thus indicating favorable revenue prospects for the 1986 fiscal year. Rising employment and income within the State should ensure that general fund revenues will grow at a rate similar to that experienced during the 1985 fiscal year.

General fund revenues will be reduced during fiscal year 1986 by legislated reductions in the taxes and fees levied upon the various horse racing tracks. It is expected that this reduction will be more than offset by additional general fund revenues produced by an improving economy.

Some major nonfederally insured savings and loan associations in Maryland faced financial difficulty during the past year. In response to these problems, Maryland is considering a number of approaches to protect the interest of holders of deposits in these associations.

I will be pleased to furnish additional information on the State's finances upon request.

Cordially yours,

A handwritten signature in black ink, appearing to read "Louis L. Goldstein". The signature is written in a cursive, flowing style.

Louis L. Goldstein  
Comptroller of the Treasury  
of Maryland