

SEC. 2. *And be it further enacted*, That this Act shall take effect June 1, 1941.

Approved May 26, 1941.

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CHAPTER 222.

(Senate Bill 286)

AN ACT to add a new Section to Article 11 of the Annotated Code of Maryland (1939 Edition), title "Banks and Trust Companies", sub-title "General Regulations", said new Section to be known as Section 78A and to follow immediately after Section 78 of said Article, authorizing the Bank Commissioner, within certain limits, to change the reserve requirements for deposits in banks and trust companies.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That a new Section be and it is hereby added to Article 11 of the Annotated Code of Maryland (1939 Edition), title "Banks and Trust Companies", sub-title "General Regulations", said new Section to be known as Section 78A, to follow immediately after Section 78 of said Article and to read as follows:

78A. Whenever the Bank Commissioner, after consultation with the Banking Board, shall determine that the maintenance of sound banking practices or the prevention of injurious credit expansion or contraction make such action advisable, he may by regulation change the requirements as to reserves to be maintained against demand deposits or time deposits or both, by banks or trust companies or both; provided that no required reserve shall be in an amount less than the percentage specified in the preceding section of this Article nor more than twice such percentage; and provided further, that in no event shall any such required reserve be increased to an amount in excess of the corresponding reserve requirements applicable to a Federal Reserve System member bank in the same locality.

SEC. 2. *And be it further enacted*, That this Act shall take effect June 1, 1941.

Approved May 26, 1941.