

the same power to consummate, negotiate, transact, or engage in credit union activity under the same conditions and restrictions as are now permitted under federal law to any federal credit union; and generally relating to the reserve fund and the powers of credit unions.

BY repealing and reenacting, with amendments,

Article 11 - Banks and Trust Companies  
Section 154  
Annotated Code of Maryland  
(1976 Replacement Volume and 1977 Supplement)

BY adding to

Article 11 - Banks and Trust Companies  
Section 141A  
Annotated Code of Maryland  
(1976 Replacement Volume and 1977 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 11 - Banks and Trust Companies

141A.

NOTWITHSTANDING THE RESTRICTIONS AND LIMITATIONS IN THIS ARTICLE OR THE CORPORATIONS AND ASSOCIATIONS ARTICLE, ANY CREDIT UNION INCORPORATED UNDER SECTION 6-301, ET SEQ., CORPORATIONS AND ASSOCIATIONS ARTICLE, MAY CONSUMMATE, NEGOTIATE, TRANSACT OR ENGAGE IN ANY ADDITIONAL CREDIT UNION ACTIVITY OR CREDIT UNION RELATED SERVICE UNDER THE SAME CONDITIONS, LIMITATIONS, RESTRICTIONS AND SAFEGUARDS AS ARE NOW OR HEREAFTER APPLICABLE OR PERMITTED UNDER FEDERAL LAW OR REGULATION TO ANY FEDERAL CREDIT UNION. THIS POWER MAY BECOME AVAILABLE TO STATE CHARTERED CREDIT UNIONS WITH THE AUTHORIZATION OF THE BANK COMMISSIONER AND THE MARYLAND CREDIT UNION INSURANCE CORPORATION.

154.

All entrance fees, transfer fees and fines shall, after the payment of the organization expenses, be known as reserve income and shall be added to the reserve fund of the corporation. ~~f~~At the close of each fiscal year there shall be set apart to the reserve fund 20% of the net income of the corporation, which has been earned for the year. This amount may be increased by vote of the members of the credit union on the recommendation of the board of directors. The reserve fund shall belong to the corporation and shall be held to meet contingencies rising through losses in loans, etc., and shall not be distributed to members, except upon dissolution of the corporation.