

CHAPTER 105

(Senate Bill 260)

AN ACT concerning

Savings and Loan Associations - Depository Functions

FOR the purpose of authorizing savings and loan associations to act as depositories of certain governmental funds; permitting those associations to take certain action in order to qualify as depositories of those funds; and setting forth the priority of those funds.

BY adding to

Article - Corporations and Associations
Section 6-212(c)
Annotated Code of Maryland
(1975 Volume and 1978 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 BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows: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 - Corporations and Associations

6-212.

(C) NOTWITHSTANDING THE REQUIREMENTS OF SUBSECTION (A), A SAVINGS AND LOAN ASSOCIATION MAY:

(1) ACT AS DEPOSITORY OF FUNDS OF:

(I) THE UNITED STATES AND ITS AGENCIES;

AND

(II) THE STATE OF MARYLAND AND ITS POLITICAL ~~SUBDIVISION~~ SUBDIVISIONS;

(2) PLEDGE COLLATERAL TO SECURE THE DEPOSITS UNDER THIS SUBSECTION; AND

(3) ACCEPT DEPOSITS UNDER THIS SUBSECTION ON THE TERMS REQUIRED BY THE DEPOSITOR. DEPOSITORS UNDER THIS SUBSECTION SHALL BE CONSIDERED GENERAL CREDITORS OF THE ASSOCIATION FOR PURPOSES OF COMPLIANCE WITH ARTICLE 23, § 161X(C) OF THE CODE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1979.

Approved May 1, 1979.