

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland (as enacted by Chapter \_\_\_\_\_ (H.B. 1) of the Acts of the General Assembly of 1980) be repealed, amended, or enacted to read as follows:

Article - Financial Institutions

~~6-701A~~ 6-701.1.

(A) ANY CREDIT UNION ORGANIZED UNDER THE LAWS OF ANY OTHER STATE OR OF THE UNITED STATES MAY CONVERT TO A STATE CREDIT UNION AS PROVIDED IN THIS SECTION.

(B) A CREDIT UNION PROPOSING TO CONVERT SHALL MEET:

~~(B) (1) ALL OF THE REQUIREMENTS FOR CONVERSION SET BY THE JURISDICTION WHERE THE CREDIT UNION IS ORGANIZED OF THIS TITLE FOR THE INCORPORATION OF A CREDIT UNION IN THIS STATE; AND~~

(2) ALL OF THE REQUIREMENTS OF THE BANK COMMISSIONER.

(C) A MAJORITY OF THE BOARD OF DIRECTORS OF A CREDIT UNION PROPOSING TO CONVERT SHALL:

(1) ADOPT A RESOLUTION THAT DECLARES THAT THE CONVERSION IS ADVISABLE; AND

(2) SET A DATE FOR A VOTE ON THE PROPOSED CONVERSION BY THE MEMBERS OF THE CREDIT UNION, EITHER AT A MEETING TO BE HELD ON THAT DATE OR BY WRITTEN BALLOT TO BE FILED ON OR BEFORE THAT DATE.

(D) WRITTEN NOTICE OF THE PROPOSED CONVERSION AND OF THE DATE SET FOR THE VOTE SHALL BE DELIVERED IN PERSON TO EACH MEMBER OR MAILED TO EACH MEMBER AT THE MEMBER'S ADDRESS AS RECORDED BY THE CREDIT UNION, NOT MORE THAN 30 DAYS NOR LESS THAN 7 DAYS BEFORE THE DATE SET FOR THE VOTE.

(E) (1) THE PROPOSED CONVERSION SHALL BE APPROVED BY THE AFFIRMATIVE VOTE OF A MAJORITY OF THE MEMBERS VOTING AT A MEETING CALLED FOR THAT PURPOSE.

(2) WITHIN 10 DAYS AFTER THE VOTE, A STATEMENT OF THE RESULTS OF THE VOTE SHALL BE FILED WITH THE BANK COMMISSIONER. THE STATEMENT SHALL BE VERIFIED BY THE PRESIDENT OR VICE PRESIDENT AND THE SECRETARY.

(F) WHEN THE CONVERSION IS COMPLETE, THE SUCCESSOR CREDIT UNION OWNS ALL OF THE ASSETS AND IS RESPONSIBLE FOR ALL THE OBLIGATIONS OF THE CREDIT UNION AS THOUGH THE CONVERSION HAD NOT TAKEN PLACE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1980.