

(B) APPROVAL BY BOARD OF COMMISSIONERS.

WITHIN 45 DAYS OF THE REQUEST, THE BOARD OF COMMISSIONERS SHALL APPROVE AN ASSOCIATION'S REQUEST TO PAY A DIVIDEND OR INTEREST UNDER THIS SECTION IF:

(1) EARNINGS OF THE ASSOCIATION ARE SUFFICIENT TO PAY THE PROPOSED DIVIDEND FOR A PERIOD OF AT LEAST 1 YEAR; AND

(2) THE PUBLIC INTEREST IS PROTECTED.

(C) APPEAL.

AN APPLICANT AGGRIEVED BY THE ACTION OR NONACTION OF THE BOARD OF COMMISSIONERS UNDER THIS SECTION MAY APPEAL IN ACCORDANCE WITH SUBTITLE 4, TITLE 8 OF THIS ARTICLE.

COMMITTEE COMMENT: This section replaces former Art. 23, § 161FF(d).

The former provision that the rate may not be more than 1.5 percent annually was deleted as outdated and too restrictive in favor of general regulatory authority granted to the Board of Commissioners. Associations have had to rely on a federal tie-in of power authority to maintain a competitive position. This section would allow State-chartered associations to be more self-determinative, within State regulatory control.

"Board of Commissioners", "savings and loan association", and "savings account" are defined in § 9-101 of this title.

9-406. SPECIAL PURPOSE ACCOUNTS.

(A) AUTHORITY TO FOREGO PAYMENT.

EXCEPT AS REQUIRED BY SUBSECTION (B) OF THIS SECTION, A SAVINGS AND LOAN ASSOCIATION IS NOT REQUIRED TO PAY ANY DIVIDEND OR INTEREST ON SPECIAL PURPOSE ACCOUNTS SUCH AS "CHRISTMAS" OR "VACATION" ACCOUNTS.

(B) RATE.

A SAVINGS AND LOAN ASSOCIATION SHALL PAY AT LEAST 3 5 PERCENT ANNUAL INTEREST OR DIVIDEND ON SAVINGS ACCOUNTS THAT ARE FOR:

(1) A PERIOD OF 1 YEAR OR LESS; AND

(2) A SPECIAL PURPOSE, SUCH AS "CHRISTMAS" OR "VACATION" ACCOUNTS.

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