

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Financial Institutions

10-118.

(a) (1) An association that is not a major association and [has] HAD total assets of at least \$15,000,000 but less than \$40,000,000 AS OF MAY 18, 1985, is not eligible for new or continued membership in the Fund on or after July 1, 1987.

(2) An association that is not a major association and has total assets of less than \$15,000,000 OR HAD TOTAL ASSETS OF LESS THAN \$15,000,000 AS OF MAY 18, 1985, is not eligible for new or continued membership in the Fund on or after July 1, 1989.

(B) NOTWITHSTANDING SUBSECTION--(A) SUBSECTION (A)(1) OF THIS SECTION, AN ASSOCIATION IS ELIGIBLE FOR CONTINUED MEMBERSHIP IN THE FUND BEYOND ITS SCHEDULED DATE OF TERMINATION, BUT IN NO EVENT BEYOND OCTOBER 30, 1987, IF THE FUND DIRECTOR AND THE SECRETARY OF LICENSING AND REGULATION FIND:

(1) THE ASSOCIATION HAS MADE A GOOD FAITH EFFORT TO OBTAIN INSURANCE FROM THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION OR OTHER FEDERAL AGENCY;

(2) THERE IS A SUBSTANTIAL LIKELIHOOD THAT THE ASSOCIATION WILL QUALIFY FOR FEDERAL INSURANCE;

(3) THE FAILURE TO OBTAIN FEDERAL INSURANCE IS NOT ATTRIBUTABLE TO UNJUSTIFIED DELAY ON THE PART OF THE ASSOCIATION; AND

(4) THE INTEREST OF THE SAVINGS ACCOUNT HOLDERS WILL NOT BE JEOPARDIZED.

[(b)] (C) Notwithstanding subsection (a) of this section, if a proceeding has been instituted under Title 9, Subtitle 7 of this article, the association shall remain a member of the Fund until conclusion of the proceedings.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1987.

Approved May 14, 1987.
