

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1995.

Approved May 18, 1995.

**CHAPTER 409**

**(House Bill 97)**

AN ACT concerning

**Credit Unions - Conversion of State Credit Union to Federal Credit Union**

FOR the purpose of altering the manner in which the conversion of a State credit union to a federal credit union is approved by members of the credit union; authorizing the Bank Commissioner to waive a certain requirement under certain circumstances; and making stylistic changes; and generally relating to the conversion of State credit unions into federal credit unions.

BY repealing and reenacting, with amendments,

Article - Financial Institutions

Section 6-701

Annotated Code of Maryland

(1992 Replacement Volume and 1994 Supplement)

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

**Article - Financial Institutions**

6-701.

(a) Any State credit union may convert into a federal credit union as provided by federal law and as provided in this section.

(b) A majority of the board of directors of a credit union proposing to convert shall:

(1) Adopt a resolution that declares THAT the conversion. [to be] 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] MAIL ballot to be filed on or before that date.

(c) THE BANK COMMISSIONER, AT THE REQUEST OF THE BOARD OF DIRECTORS OF A CREDIT UNION, MAY WAIVE THE REQUIREMENT FOR A MAIL BALLOT AND MAY SUBSTITUTE ANY REASONABLE METHOD OF DETERMINING THE VOTE OF THE MEMBERS.