

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1049
Economic Matters

(Delegate Crosby)

Finance

Credit Unions - Mergers and Consolidations - Alteration of Voting Requirement

This bill makes a vote to approve a merger by members of a “surviving credit union” optional (instead of mandatory under current law) and makes conforming changes.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: In the event of a proposed merger between or among credit unions in the State, a majority of the board of each credit union proposing a merger must adopt a resolution declaring the merger is advisable.

A majority of the board of each merging credit union (*i.e.*, a credit union being acquired or absorbed) proposing the merger *must* set a date for a vote on the proposed merger by its members at a meeting of the membership or by mail ballot to be filed on or before the date of the meeting.

A majority of the board of a surviving credit union *may*, but is not required to, set a date for a vote on the proposed merger by its members at a meeting of the membership or by mail ballot to be filed on or before the date of the meeting.

A merger must be in accordance with a plan that:

- states the field of membership type that the surviving credit union will have;
- is agreed to by a majority of the boards of each credit union party to the merger; and
- approved by the members of each merging credit union party to the merger by majority vote of the members of the credit union who vote on the proposal.

The approval process for the *consolidation* of credit unions is not affected by the bill.

Current Law:

Definitions

A “merging credit union” means a credit union that is absorbed or acquired by another credit union in a merger and ceases to exist after the merger.

A “surviving credit union” means a credit union that absorbs or acquires another credit union in a merger and continues to exist after the merger.

Procedure for the Merger or Consolidation of Credit Unions, Generally

A majority of the board of each credit union proposing a merger or consolidation must adopt a resolution declaring the merger or consolidation is advisable.

A majority of the board of each credit union party to the merger or consolidation *must* set a date for a vote on the proposed merger or consolidation by its members at a meeting of the membership or by mail ballot to be filed on or before the date of the meeting.

A merger or consolidation must be in accordance with a plan that:

- states the field of membership type that the surviving or new credit union will have;
- is agreed to by a majority of the boards of each credit union party to the merger or consolidation; and
- unless provided otherwise by the Commissioner of the Office of Financial Regulation, approved by the members of each credit union party to the merger or consolidation by majority vote of the members of the credit union who vote on the proposal.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 783 (Senator Jackson) - Finance.

Information Source(s): Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2026
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Analysis by: Kayvon Samadani

Direct Inquiries to:
(410) 946-5510
(301) 970-5510