
By: Chairman, Finance Committee (Departmental - Labor, Licensing and Regulation)

Introduced and read first time: January 27, 1997

Rule 32(e) suspended

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 25, 1997

CHAPTER ____

1 AN ACT concerning

2 **Credit Unions - Examination Fees and Assessments**

3 FOR the purpose of ~~deleting making~~ certain charges for examinations apply only to
 4 certain credit unions; implementing certain annual assessments by requiring the
 5 Commissioner of Financial Regulation to impose a certain annual assessment on
 6 certain credit unions; providing for the amount of the assessment; requiring certain
 7 credit unions to pay the assessment at a certain time; and generally relating to State
 8 chartered credit unions.

9 BY repealing and reenacting, with amendments,

10 Article - Financial Institutions
 11 Section 6-303
 12 Annotated Code of Maryland
 13 (1992 Replacement Volume and 1996 Supplement)

14 BY adding to

15 Article - Financial Institutions
 16 Section 6-608
 17 Annotated Code of Maryland
 18 (1992 Replacement Volume and 1996 Supplement)

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

2

1 **Article - Financial Institutions**

2 6-303.

3 (a) In this section, "examiner" means:

4 (1) The Commissioner; and

5 (2) An individual whom the Commissioner designates as examiner.

6 (b) An examiner shall visit each credit union and examine its business:

7 (1) At least once during each calendar year, unless the Commissioner
8 determines that, during a calendar year, an examination is unnecessary, in which event an
9 examination shall occur no less frequently than once every 18 months;

10 (2) When asked to do so by the board of directors or supervisory committee
11 of the credit union; and

12 (3) At any other time that the Commissioner considers necessary.

13 ~~{c} (1) THIS SUBSECTION APPLIES ONLY TO A CREDIT UNION WITH ASSETS~~
14 ~~OF LESS THAN \$300,000, AS STATED IN THE CREDIT UNION'S MOST RECENT~~
15 ~~FINANCIAL REPORT.~~

16 (2) For each examination of a credit union, the credit union shall pay the
17 Commissioner the sum of:

18 ~~(i) (I) \$20; and~~

19 ~~(ii) (II) The lesser of:~~

20 ~~(i) 1. \$40 a day for each examiner; or~~

21 ~~(ii) 2. \$20 plus 1/18 of 1 percent of assets of the credit union over~~
22 ~~\$10,000.}~~

23 6-608.

24 (A) THIS SECTION APPLIES ONLY TO A CREDIT UNION WITH ASSETS OF
25 \$300,000 OR GREATER.

26 ~~(B) (1) THE COMMISSIONER SHALL IMPOSE AN ANNUAL ASSESSMENT ON~~
27 ~~EACH CREDIT UNION AS PROVIDED IN THIS SECTION SUBSECTION TO COVER THE~~
28 ~~EXPENSE OF REGULATING CREDIT UNIONS.~~

29 ~~(B) (1) (2) THE COMMISSIONER SHALL ASSESS EACH CREDIT UNION A~~
30 ~~THE SUM EQUAL TO THE OPERATING FEE WHICH WOULD BE ASSESSED BY THE~~
31 ~~NATIONAL CREDIT UNION ADMINISTRATION TO FEDERALLY CHARTERED CREDIT~~
32 ~~UNIONS OF COMPARABLE ASSET SIZE OF:~~

33 (I) \$1,000; PLUS

34 (II) 8 CENTS FOR EACH \$1,000 OF THE ASSETS OF THE CREDIT
35 UNION OVER \$1,000,000.

3

1 ↔ (3) THE ASSESSMENT SHALL BE BASED ON ASSETS STATED IN THE
2 CREDIT UNION'S MOST RECENT FINANCIAL REPORT.

3 (C) A CREDIT UNION SHALL PAY THE ASSESSMENT IMPOSED UNDER THIS
4 SECTION TO THE COMMISSIONER ON OR BEFORE THE FEBRUARY 15 ~~IN THE YEAR~~
5 AFTER THE ASSESSMENT IS IMPOSED.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 1997.