

# SENATE BILL 290

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By: **Chair, Finance Committee (By Request – Departmental – Labor,  
Licensing and Regulation)**

Introduced and read first time: January 26, 2012

Assigned to: Finance

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 9, 2012

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Financial Institutions – Savings Banks – Conversions**

3 FOR the purpose of providing that a savings bank may convert to a capital stock  
4 commercial bank under certain circumstances; requiring the Commissioner of  
5 Financial Regulation to adopt regulations governing the conversion of savings  
6 banks to capital stock commercial banks; establishing a certain fee for the  
7 conversion of a savings bank to a capital stock commercial bank; providing for  
8 the construction of this Act; and generally relating to conversions of savings  
9 banks.

10 BY adding to

11 Article – Financial Institutions

12 Section 2–108(a)(10) and 4–703

13 Annotated Code of Maryland

14 (2011 Replacement Volume and 2011 Supplement)

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

17 **Article – Financial Institutions**

18 2–108.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) The Commissioner shall charge and collect, in advance, the following  
2 nonrefundable fees:

3 (10) AN APPLICATION FEE FOR CONVERSION OF A SAVINGS BANK  
4 TO A CAPITAL STOCK COMMERCIAL BANK UNDER § 4-703 OF THIS  
5 ARTICLE.....\$5,000

6 4-703.

7 (A) A SAVINGS BANK MAY CONVERT TO A CAPITAL STOCK COMMERCIAL  
8 BANK WITH THE APPROVAL OF ITS MEMBERS AND THE COMMISSIONER.

9 (B) THE COMMISSIONER SHALL ADOPT REGULATIONS TO GOVERN THE  
10 CONVERSION OF SAVINGS BANKS TO CAPITAL STOCK COMMERCIAL BANKS.

11 SECTION 2. AND BE IT FURTHER ENACTED, That the changes made to the  
12 Financial Institutions Article under Section 1 of this Act may not be construed to:

13 (1) affect, modify, or invalidate the authority and powers of the  
14 Commissioner of Financial Regulation under § 5-504 of the Financial Institutions  
15 Article to approve the conversion or any portion of the conversion of a  
16 Maryland-chartered savings bank to a Maryland-chartered capital stock commercial  
17 bank; or

18 (2) invalidate any conversion of a Maryland-chartered savings bank to  
19 a Maryland-chartered capital stock commercial bank that was consummated before  
20 the effective date of this Act.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 July 1, 2012.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.