

(A) A savings and loan association shall have its savings accounts insured by the Maryland [Savings-Share Insurance Corporation] DEPOSIT INSURANCE FUND CORPORATION or the Federal Savings and Loan Insurance Corporation.

(B) (i) -- NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION, A SAVINGS AND LOAN ASSOCIATION MAY BE PERMITTED TO OPEN AND CONDUCT BUSINESS IF THE GOVERNOR DETERMINES THAT SUCH ASSOCIATION:

(i) -- HAS RECEIVED PRELIMINARY APPROVAL FOR INSURANCE BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION (FSLIC), AND

(ii) -- WOULD PROBABLY QUALIFY FOR SUCH INSURANCE UNDER THE APPLICABLE STANDARDS OF THE FSLIC.

(2) -- IF A SAVINGS AND LOAN ASSOCIATION, THE SAVINGS ACCOUNTS OF WHICH ARE INSURED BY THE MARYLAND SAVINGS SHARE INSURANCE CORPORATION ON MAY 16, 1985, IS A SUBSIDIARY OF A CORPORATION THAT OWNS ANOTHER SAVINGS AND LOAN ASSOCIATION INCORPORATED IN ANOTHER STATE, THE SAVINGS AND LOAN ASSOCIATION'S SAVINGS ACCOUNTS MAY BE INSURED BY THE FUND UNTIL JULY 1, 1987.

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 10-101 through 10-117, inclusive, and the title "Title 10. Maryland Savings-Share Insurance Corporation" of Article - Financial Institutions of the Annotated Code of Maryland be repealed.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Financial Institutions

TITLE 10. STATE OF MARYLAND DEPOSIT INSURANCE FUND CORPORATION

10-101.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ASSOCIATION" MEANS A CORPORATION OR MUTUAL ASSOCIATION THAT IS CHARTERED UNDER THE LAWS OF THIS STATE AS A SAVINGS AND LOAN ASSOCIATION.

(C) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE STATE OF MARYLAND DEPOSIT INSURANCE FUND CORPORATION.

(D) "DIVISION DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF SAVINGS AND LOAN ASSOCIATIONS.