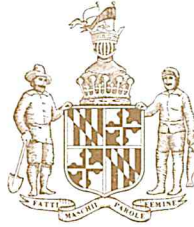


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—
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—

Finance Committee

Executive Nominations Committee



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The Senate of Maryland
ANNAPOLIS, MARYLAND 21401

March 2, 2020

The Honorable Delores G. Kelley
Finance Committee
Senate Bill 975 – Government Entities – Authorization to Bank with Credit Unions

Dear Madam Chair and Members of the Committee:

Senate Bill 975 would allow government entities to deposit public funds in credit unions as well as banks. Current law only allows government entities to deposit public funds in Banks. Under the Federal Credit Union Act, credit unions are legally permitted to accept public funds in States that allow them to do so.

Today, 35 States allow public deposits to credit unions. Senate Bill 975 will ensure that credit unions are held to the same standards that banks are currently in determining whether they qualify to accept public funds.

Government entities should be able to choose what financial institution can best meet their needs. Many municipalizes in rural areas are struggling with the limited options in which they choose to do business with. They should be given the opportunity to make the best possible decision that is in the best interest of the citizens they represent.

I request the committee's favorable consideration of Senate Bill 975.