



MARYLAND OFFICE OF FINANCIAL REGULATION



APPLICATION OR FORM

Application to Receive the Annual Assessment Fee Credit for Opening and/or Maintaining Branches in Low- to Moderate-Income Communities in Maryland

Instructions: Under the [Maryland Access to Banking Act](#), a well-capitalized Maryland state-chartered bank or credit union with a composite CAMELS rating of 1 or 2 may apply for a fee credit toward its annual assessment if it operated a branch or branches in a low- to moderate-income (LMI) census tract in the State of Maryland as of June 30, 2024. Applicable 2024 census tract information may be found [here](#).

Pursuant to Md. Code Ann., [Financial Institutions \(“FI”\) Article § 5-203\(d\)](#) and [Financial Institutions Article § 6-712\(c\)\(4\)](#), a Maryland state-chartered bank or credit union may apply for an annual assessment fee credit based upon deposits originated and housed at a branch located in an LMI census tract, as reported to the Office of Financial Regulation (OFR) as of June 30 of the most recent year. FI §§ 5-203 and 6-712 also provide guidance for calculating the amount of this assessment fee credit. The 2024 annual assessment fee credit is calculated as follows:

- i. 12 cents for each \$1,000 of deposits in a de novo branch¹ located in a low- to moderate-income census tract for the first 5 years after the date the de novo branch opened, reported as of June 30, 2024; or
- ii. 6 cents for each \$1,000 of deposits in a non-de novo branch located in a low- to moderate-income census tract based on branch deposit balances reported as of June 30, 2024, not to exceed the national deposit growth caps as reported by the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) as of 12/31/2024.²

The assessment fee credit is available annually. For the purpose of calculating the assessment fee credit, any increase in deposits in a non-de novo branch is limited by the deposit growth cap.³

¹ The definition of a de novo branch is found at [Financial Institutions Article § 5-1001\(g\)](#) and [Financial Institutions Article § 6-712\(a\)\(2\)](#).

² The OFR will post on its website the applicable deposit growth caps for 12/31/2024 once published by the FDIC and NCUA.

³ The definition of deposit growth cap is found at [Financial Institutions Article § 5-203\(a\)\(4\)](#) and [Financial Institutions Article § 6-712\(a\)\(3\)](#). By way of example on how the OFR will calculate the assessment fee credit due, suppose a non-de novo branch deposits totaled \$1,000,000.00 on June 30, 2023, and increased to \$1,070,000.00 on June 30, 2024. This represents a 7% increase from the prior year. In this same timeframe, suppose the deposit growth cap totaled only 5%. In this situation, the amount of deposits attributed to the branch for the purpose of calculating the assessment fee credit would be reduced to \$1,050,000.00, aligning with the 5% deposit growth cap limit.

A deposit growth cap equal to zero or a negative number does not prevent the granting of an assessment fee credit. Rather, the assessment fee credit in a year with a zero/negative deposit growth cap for a non-de novo branch located in an LMI tract would be calculated using the lesser of the deposit amounts from the most recent assessment credit, which is June 30, 2023, or June 30, 2024.⁴ The deposit growth cap limit is not applied to deposits in a qualifying de novo branch.

For each of the branches listed, the Maryland state-chartered bank or credit union submitting the application must attach to its application a core report from its technology service provider (i.e., Jack Henry, Fiserv, etc.) specific to each branch that includes the following information:

1. The branch's total deposits. Include a summary of all deposit types with the respective total balances.
2. The branch's total loans. Include a summary of all loan types with the respective total balances.

Note: A manually generated Excel spreadsheet will not be accepted to verify the above-listed information.

The due date for an applicant Maryland state-chartered credit union is **February 10, 2025**.

The due date for an applicant Maryland state-chartered bank is **March 7, 2025**.

After the OFR completes the review of an application, any annual assessment fee credit approved will be applied toward the 2024 annual assessment amount due in 2025 and be noted in the annual assessment letter emailed to the Maryland state-chartered bank or credit union, unless the applicant elects to donate the assessment fee credit to the Maryland Community Investment Venture Fund (Fund).

Pursuant to [FI § 2-118.1\(f\)\(1\)](#), donations made to the Fund by Maryland state-chartered banks and credit unions may be matched by the OFR up to the amount of the assessment fee credit earned. The mission of the Fund is to serve as a catalyst for the development of innovative technologies and/or enhance existing technologies that will assist Maryland state-chartered banks and credit unions to better serve LMI communities through partnership with new and existing financial technology firms.

A completed application for approval of an assessment fee credit must be submitted by email to Stephen.clampett1@maryland.gov.

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⁴ By way of example, suppose there is a deposit growth cap of zero or a negative number. The non-de novo branch held \$1,000,000 of deposits as of June 30, 2023, and received an assessment fee credit against its 2024 annual assessment based on this amount. That same branch has deposits totaling \$1,030,000 as of June 30, 2024. Because the 2024 assessment fee credit cannot exceed the deposit growth cap, the bank cannot receive a larger assessment fee credit for 2025 than it did for 2024. Therefore, the assessment fee credit awarded in 2025 would be based on the June 30, 2023, deposits of \$1,000,000. Had that branch's deposits declined to \$998,000 as of June 30, 2024, the assessment fee credit amount would be based on \$998,000.

Application

Name of Bank or Credit Union: _____

Total Number of LMI Branches as of 12/31/24⁵: _____

Branch Location: _____

Address of Branch: _____

Tract Income Level: Low or Moderate (*check one*). Tract Code: _____

Total Amount of Deposits 2024 – 6/30/24: _____ 12/31/24: _____

Total Amount of Loans 2024 – 6/30/24: _____ 12/31/24: _____

Total Number of Branch Customers/Members: _____

Date Branch was Established: _____

Branch Location: _____

Address of Branch: _____

Tract Income Level: Low or Moderate (*check one*). Tract Code: _____

Total Amount of Deposits 2024 – 6/30/24: _____ 12/31/24: _____

Total Amount of Loans 2024 – 6/30/24: _____ 12/31/24: _____

Total Number of Branch Customers/Members: _____

Date Branch was Established: _____

Branch Location: _____

Address of Branch: _____

Tract Income Level: Low or Moderate (*check one*). Tract Code: _____

Total Amount of Deposits 2024 – 6/30/24: _____ 12/31/24: _____

Total Amount of Loans 2024 – 6/30/24: _____ 12/31/24: _____

Total Number of Branch Customers/Members: _____

Date Branch was Established: _____

Branch Location: _____

Address of Branch: _____

Tract Income Level: Low or Moderate (*check one*). Tract Code: _____

Total Amount of Deposits 2024 – 6/30/24: _____ 12/31/24: _____

Total Amount of Loans 2024 – 6/30/24: _____ 12/31/24: _____

Total Number of Branch Customers/Members: _____

Date Branch was Established: _____

⁵ If claiming more than four branches in LMI census tracts on this application, please print and attach additional pages.

