



**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION
INDUSTRY ADVISORY
REGULATORY NOTICE**



January 27, 2025

**Notice of Availability of Application for Maryland State-Chartered Banks
and Credit Unions to Earn Annual Assessment Fee Credit**

The Maryland Office of Financial Regulation (OFR) announces the availability of the application for qualifying Maryland state-chartered banks and credit unions to earn an annual assessment fee credit for opening and/or maintaining branches in low- to moderate-income (LMI) communities in Maryland. The application, accessible [here](#), guides banks and credit unions through the steps required to apply for the annual assessment fee credit made available by the 2023 Maryland Access to Banking Act.

A well-capitalized Maryland state-chartered bank or credit union with a composite CAMELS rating of 1 or 2 is eligible to apply for the credit if it operated a branch location in an LMI census tract in Maryland that maintained deposits as of June 30, 2024.

Pursuant to Md. Code Ann., [Financial Institutions Article \(“FI”\) § 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 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.

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-

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

de novo branch located in an LMI tract would be calculated using the lesser of the deposit amount from the most recent assessment credit, which is June 30, 2023, or June 30, 2024. The deposit growth cap limit is not applied to deposits in a qualifying de novo branch.

Banks and credit unions may opt on the application to donate any assessment fee credit received to OFR's Maryland Community Investment Venture Fund,³ which the Maryland Access to Banking Act created to serve as a catalyst for the inclusive development of innovative technologies and/or existing technologies that will assist Maryland state-chartered banks and credit unions to better serve LMI communities through partnerships with new and existing financial technology firms. More information about the Maryland Access to Banking Act may be found [here](#).

Contact

For questions about this advisory notice, please contact Stephen J. Clampett, Assistant Commissioner – Corporate Activities, by phone at 410-230-6104 or by email at stephen.clampett1@maryland.gov.

The Office of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's consumer financial protection agency and financial services regulator. For more information, please visit our website at www.labor.maryland.gov/finance.



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³ Pursuant to [Financial Institutions Article §2-118.1](#).