

## CHAPTER 5. ASSESSMENTS

- Sec.  
 5.1. Definitions.  
 5.2. Semiannual assessment for banks, bank and trust companies, savings banks and savings associations.  
 5.3. Semiannual assessment for trust companies.  
 5.4. Semiannual assessment for credit unions.  
 5.5. Adjustments to assessments; invoicing.  
 5.6. Implementation schedule.  
 5.6a. Implementation schedule—statement of policy.

### Authority

The provisions of this Chapter 5 issued under the Credit Union Code, 17 Pa.C.S. § 503(a), and sections 202(C) and 204(A) of the Department of Banking and Securities Code (71 P. S. §§ 733-202(C) and 733-204(A)), unless otherwise noted.

### Source

The provisions of this Chapter 5 adopted July 25, 2014, effective July 26, 2014, 44 Pa.B. 5010, unless otherwise noted.

### § 5.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

*Bank*—The term as defined in section 102(f) of the Banking Code (7 P. S. § 102(f)).

*Bank and trust company*—The term as defined in section 102(g) of the Banking Code.

*Consolidated total assets*—The total assets as reflected in the FFIEC Call Report's "Schedule RC—Balance Sheet of the Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only—FFIEC 041" or "Schedule RC—Balance Sheet of the Consolidated Report of Condition and Income for a Bank with Domestic and Foreign Offices—FFIEC 031," as applicable.

*Credit union*—The term as defined in 17 Pa.C.S. § 102 (relating to application of title).

*FFIEC Call Report*—A report promulgated by the Federal Financial Institutions Examinations Council that sets forth consolidated total assets and fiduciary assets.

*Fiduciary assets*—The sum of the total fiduciary assets in the FFIEC Call Report's "Schedule RC—T Fiduciary and Related Services of the Consolidated Report of Condition and Income for a Bank with Domestic Offices Only—FFIEC 041."

*Fiscal year*—The term as defined in section 617(a) of The Administrative Code of 1929 (71 P. S. § 237(a)).

*NCUA Call Report*—A report promulgated by the National Credit Union Administration that sets forth total assets.

*Savings association*—The term as defined in section 102(3) of the Savings Association Code of 1967 (7 P. S. § 6020-2(3)) (repealed).

*Savings bank*—The term as defined in section 102(x) of the Banking Code.

*Total assets*—The total assets as reflected on the “Statement of Financial Condition” in the NCUA Call Report.

*Trust company*—The term as defined in section 102(dd) of the Banking Code.

*UFIRS*—The Uniform Financial Institutions Rating System.

*UITRS*—The Uniform Interagency Trust Rating System.

**§ 5.2. Semiannual assessment for banks, bank and trust companies, savings banks and savings associations.**

(a) Banks, bank and trust companies, savings banks and savings associations shall pay a semiannual assessment to the Department.

(b) The semiannual assessment on banks, bank and trust companies, savings banks and savings associations will be calculated as follows:

*If the amount of the consolidated total assets is:*

*The semiannual assessment will be:*

<i>Over:</i>	<i>But not over:</i>	<i>Base amount:</i>		<i>The excess over:</i>	<i>Times (x):</i>
0	\$20,000,000	\$6,070	+	0	0
\$20,000,000	\$100,000,000	\$6,070	+	\$20,000,000	0.000112059
\$100,000,000	\$200,000,000	\$15,035	+	\$100,000,000	0.000072836
\$200,000,000	\$1,000,000,000	\$22,319	+	\$200,000,000	0.000061631
\$1,000,000,000	\$2,000,000,000	\$71,623	+	\$1,000,000,000	0.000050425
\$2,000,000,000	\$6,000,000,000	\$122,048	+	\$2,000,000,000	0.000044822
\$6,000,000,000	\$20,000,000,000	\$301,338	+	\$6,000,000,000	0.000038139
\$20,000,000,000		\$835,284	+	\$20,000,000,000	0.000019409

(c) Banks, bank and trust companies, savings banks and savings associations will be billed semiannually in December and June based upon the consolidated total assets reported in the immediately preceding FFIEC Call Report.

**Cross References**

This section cited in 10 Pa. Code § 5.5 (relating to adjustments to assessments; invoicing); and 10 Pa. Code § 5.6 (relating to implementation schedule).

**§ 5.3. Semiannual assessment for trust companies.**

(a) Trust companies shall pay a semiannual assessment to the Department.

(b) The semiannual assessment on trust companies will be calculated on consolidated total assets plus fiduciary assets as follows:

*If the amount of the consolidated total assets is:*

*The semiannual assessment will be:*

<i>Over:</i>	<i>But not over:</i>	<i>Base amount:</i>		<i>The excess over:</i>	<i>Times (x):</i>
0	\$20,000,000	\$6,070	+	0	0
\$20,000,000	\$100,000,000	\$6,070	+	\$20,000,000	0.000112059
\$100,000,000	\$200,000,000	\$15,035	+	\$100,000,000	0.000072836
\$200,000,000	\$1,000,000,000	\$22,319	+	\$200,000,000	0.000061631
\$1,000,000,000	\$2,000,000,000	\$71,623	+	\$1,000,000,000	0.000050425
\$2,000,000,000	\$6,000,000,000	\$122,048	+	\$2,000,000,000	0.000044822
\$6,000,000,000	\$20,000,000,000	\$301,338	+	\$6,000,000,000	0.000038139
\$20,000,000,000		\$835,284	+	\$20,000,000,000	0.000019409
	plus				

*If the amount of the fiduciary assets is:*

*The semiannual assessment will be:*

<i>Over:</i>	<i>But not over:</i>	<i>Base amount:</i>		<i>The excess over:</i>	<i>Times (x):</i>
0	\$500,000,000	\$6,746	+	\$0	0
\$500,000,000	\$1,000,000,000	\$13,492	+	\$500,000,000	0
\$1,000,000,000	\$10,000,000,000	\$13,492	+	\$1,000,000,000	0.000002689
\$10,000,000,000	\$100,000,000,000	\$37,689	+	\$10,000,000,000	0.000000449
\$100,000,000,000		\$78,081	+	\$100,000,000,000	0.0000001425

(c) Trust companies will be billed in December and June based upon the consolidated total assets and fiduciary assets reported in the immediately preceding FFIEC Call Report.

#### Cross References

This section cited in 10 Pa. Code § 5.5 (relating to adjustments to assessments; invoicing); and 10 Pa. Code § 5.6 (relating to implementation schedule).

### § 5.4. Semiannual assessment for credit unions.

- (a) Credit unions shall pay a semiannual assessment to the Department.
- (b) The semiannual assessment on credit unions will be calculated as follows:

If the amount of the total assets is: The semiannual assessment will be:

Over:	But not over:	This amount:		The excess over:	Times (x):
0	\$24,503,168	\$2,500	+	\$0	0
\$24,503,168	\$1,115,871,488	\$2,500	+	\$24,503,168	0.00010739750
\$1,115,871,488	\$3,376,610,357	\$119,842	+	\$1,115,871,488	0.00003130250
\$3,376,610,357		\$190,609	+	\$3,376,610,357	0.00001045000

(c) Credit unions will be billed in December and June based upon the total assets reported in the immediately preceding NCUA Call Report.

#### Cross References

This section cited in 10 Pa. Code § 5.5 (relating to adjustments to assessments; invoicing).

### § 5.5. Adjustments to assessments; invoicing.

#### (a) Adjustments.

(1) *Adjustment to assessments.* The Department may increase the amount of assessments generated by the calculations in §§ 5.2—5.4 (relating to semi-annual assessment for banks, bank and trust companies, savings banks and savings associations; semiannual assessment for trust companies; and semiannual assessment for credit unions) if the projected assessments are insufficient to provide for the Department's budget due to increased costs of operation.

(2) *Amount of adjustment.* The increase permitted by paragraph (1) may not exceed the percentage increase in the Consumer Price Index over the fiscal year immediately preceding the fiscal year in which the Department submits its proposed budget to the General Assembly, as indicated by the "Consumer Price Index—All Urban Consumers: U.S. All Items 1982-84=100" published by the United States Department of Labor, Bureau of Labor Statistics, or other similar index published by the United States Department of Labor, Bureau of Labor Statistics.

(b) *Surcharge based on condition.* The Department may increase the amount of a specific assessment generated by the calculations in §§ 5.2—5.4 by:

(1) Thirty percent for a bank, bank and trust company, savings bank, savings association, trust company or credit union with a UFIRS or UITRS composite rating of 4.

(2) Fifty percent for a bank, bank and trust company, savings bank, savings association, trust company or credit union with a UFIRS or UITRS composite rating of 5.

(c) *Notice of adjustment or surcharge.* The Department will provide notice to institutions of an increase in assessments according to subsections (a) and (b) by:

(1) A general notice within 30 days of the enactment of the Department's budget by the General Assembly if an increase is generated by subsection (a).

(2) A note on each semiannual assessment invoice issued to an institution subject to an increase generated by subsection (b).

(d) *Assessment invoicing.* The Department will round the assessments calculated under this chapter to the nearest dollar on the semiannual assessment invoice issued to each assessed entity.

**Cross References**

This section cited in 10 Pa. Code § 5.6 (relating to implementation schedule).

**§ 5.6. Implementation schedule.**

(a) *General rule.* The Department will provide an implementation schedule for banks, bank and trust companies, savings banks, savings associations and trust companies to adjust to the assessments generated by this chapter.

(b) *Implementation schedule.* Banks, bank and trust companies, savings banks, savings associations and trust companies shall pay assessments according to the following implementation schedule:

(1) Seventy percent of the total assessment calculated by §§ 5.2, 5.3 and 5.5 (relating to semiannual assessment for banks, bank and trust companies, savings banks and savings associations; semiannual assessment for trust companies; and adjustments to assessments; invoicing) for the first 12 months after \_\_\_\_\_ .

(2) Eighty-five percent of the total assessment calculated by §§ 5.2, 5.3 and 5.5 for the second 12 months after \_\_\_\_\_ .

(3) One hundred percent of the total assessment calculated by §§ 5.2, 5.3 and 5.5 for the third 12 months after \_\_\_\_\_ .

**Source**

The provisions of this § 5.6 corrected August 15, 2014, effective July 26, 2014, 44 Pa.B. 5463. Immediately preceding text appears at serial page (372775).

**Cross References**

This section cited in 10 Pa. Code § 5.6a (relating to implementation schedule—statement of policy).

**§ 5.6a. Implementation schedule—statement of policy.**

The Department is providing notice to all Commonwealth State-chartered banks, State-chartered bank and trust companies, State-chartered savings banks and State-chartered trust companies that the implementation schedule in § 5.6(b)(1)—(3) (relating to implementation schedule) will be effective beginning with Fiscal Year 2014-2015. Therefore, the Department will read the blanks in § 5.6(b)(1)—(3) as containing the date July 1, 2014.

**Source**

The provisions of this § 5.6a adopted September 26, 2014, effective September 27, 2014, 44 Pa.B. 6098.

[Next page is 7-1.]

5-6

(373512) No. 481 Dec. 14

*Copyright © 2014 Commonwealth of Pennsylvania*