



March 2, 2026

The Honorable Pamela Beidle, Chair
3 East Miller Senate Office Building
Annapolis, Maryland 21401

Re: **TESTIMONY IN SUPPORT of Senate Bill 920** - Economic Development - Small, Minority, and Women-Owned Business Accounts - Management Fees (Small Business Increased Access to Capital Act)

Dear Chair Beidle, Vice Chair Hayes and Members of the Committee:

Thank you for the opportunity to submit written testimony in support of Senate Bill 920, which authorizes an eligible fund manager to receive, use, and retain a capped management fee.

Access to capital remains one of the greatest barriers facing small, minority-, women-, and veteran-owned businesses. The Video Lottery Terminal (VLT) Fund provides affordable and flexible financing to businesses that are unable to obtain sufficient funding through traditional lending sources. This targeted investment tool helps close capital gaps and expand economic opportunity.

The VLT program is a national model demonstrating how casino revenues can be strategically deployed to create jobs and strengthen regional economies. Since 2014, in Howard County alone, the VLT Fund has provided \$25 million in loans, leveraging an additional \$54 million in private and other capital. These investments have helped create nearly 1,000 new jobs and retain approximately 1,400 existing jobs in small and minority-owned businesses, generating meaningful economic activity and increased tax revenue. It is one of the most effective small business support programs established by the State.

However, the cost of administering this program continues to rise. Fund managers incur significant operational expenses, including staffing, compliance, reporting, and required Agreed-Upon Procedures (AUP), which are not reimbursable under the current contract with the Maryland Department of Commerce. While fund managers are committed to delivering strong outcomes, the existing structure limits reimbursement for essential administrative costs.



Senate Bill 920 provides a practical and responsible solution by allowing a clearly defined and capped management fee. This will ensure that fund managers can sustainably administer the program, maintain appropriate oversight, and continue delivering high-impact results.

Supporting SB 920 strengthens Maryland's small business ecosystem and ensures the long-term viability of this successful program.

Thank you for the opportunity to share our experience and to express my strong support for Senate Bill 920.

Respectfully,

Jennifer Jones

Jennifer Jones
CEO, Howard County Economic Development Authority