

# SENATE BILL 43

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(PRE-FILED)

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CF HB 259

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By: Chair, Finance Committee (By Request – Departmental – Labor)

Requested: September 30, 2025

Introduced and read first time: January 14, 2026

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institutions – Maryland Community Investment Venture Fund and**  
3 **Regulation of Entities – Revisions**

4 FOR the purpose of repealing certain fees charged to certain banking institutions by the  
5 Commissioner of Financial Regulation; altering certain provisions relating to the  
6 Maryland Community Investment Venture Fund, including the purpose and  
7 administration of the Fund and the date by which the Commissioner may match  
8 certain investments in the Fund; altering and providing for certain assessment offset  
9 credits for certain banking institutions and credit unions; altering the definition of  
10 “emergency” for purposes of determining closures of banking institutions; altering  
11 which financial entities are included in certain prohibitions on using an entity’s  
12 likeness; and generally relating to the Maryland Community Investment Venture  
13 Fund and regulation of financial institutions in the State.

14 BY repealing and reenacting, without amendments,

15 Article – Financial Institutions

16 Section 1–101(a) and (d) and 1–301(a)

17 Annotated Code of Maryland

18 (2020 Replacement Volume and 2025 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article – Financial Institutions

21 Section 1–301(b), 2–108(a)(8), 2–118.1, 3–213, 5–203, 5–707, 5–806, 6–712, and  
22 6–901

23 Annotated Code of Maryland

24 (2020 Replacement Volume and 2025 Supplement)

25 BY repealing and reenacting, without amendments,

26 Article – State Finance and Procurement

27 Section 6–226(a)(2)(i) and (ii)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



# Annotated Code of Maryland (2021 Replacement Volume and 2025 Supplement)

repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(iii)212. and 213.  
Annotated Code of Maryland  
(2021 Replacement Volume and 2025 Supp.)

BY adding to  
Article – State Finance and Procurement  
Section 6–226(a)(2)(iii)214.  
Annotated Code of Maryland  
(2021 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
the Laws of Maryland read as follows:

## Article – Financial Institutions

16 1-101.

17 (a) In this article, unless the context clearly requires otherwise, the following  
18 words have the meanings indicated.

(d) "Banking institution" means an institution that is incorporated under the laws of this State as a State bank, trust company, or savings bank.

21 1-301.

22 (a) In this subtitle the following words have the meanings indicated.

23 (b) (1) "Fiduciary institution" means:

24 (i) A national banking association;

25 (ii) A [State] banking institution;

<sup>26</sup> (iii) An other-state bank that main

(iv) A credit union that is organized under the laws of this State.

28 of the United States,

30 of this State and subject to the supervision of the Commissioner; or

(vi) A savings and loan association that is organized under the laws of this State or of the United States.

(2) "Fiduciary institution" does not include any person licensed by the  
Commissioner under Title 11 of this article.

5 2-108.

8 (8) A fee for a certificate of valid charter[:]

9 (i) If requested by or on behalf of a banking institution.....\$25

10 (ii) If] requested by or on behalf of a person other than a banking  
11 institution.....\$50

12 2-118.1.

13 (a) (1) In this section the following words have the meanings indicated.

14 (2) "Fund" means the Maryland Community Investment Venture Fund.

15 (3) "Low- to moderate-income tract" has the meaning stated in § 5-203 of  
16 this article.

17 (b) (1) There is a Maryland Community Investment Venture Fund.

18 (2) The Fund is a private venture fund that:

19 (i) Is an instrumentality of the State; and

20 (ii) Uses public and private investment funds.

21 (c) (1) Subject to paragraph (2) of this subsection, the purpose of the Fund is  
22 to develop opportunities for banking institutions and credit unions to better serve the needs  
23 of low- to moderate-income tracts by:

24 (i) [Investing in] **PROMOTING** the development of financial  
25 product or financial product underwriting innovations that enhance access to capital,  
26 funding, and other financial services for **CONSUMERS AND** businesses in low- to  
27 moderate-income tracts in the State **THROUGH INVESTMENTS, GRANTS, AND OTHER**  
28 **FORMS OF FINANCIAL ASSISTANCE;**

4 (iii) Promoting and making the innovations available to banking  
5 institutions and credit unions for use in enhancing access to capital, funding, and other  
6 financial services for **CONSUMERS AND** businesses in low- to moderate-income tracts in  
7 the State.

(2) With the approval of the Commissioner, the purpose of the Fund may be altered in a manner that is consistent with the intent and requirements of this section.

10 (d) (1) (i) The Commissioner shall establish a governance structure for the  
11 Fund.

12 (ii) The Commissioner may collaborate with investors in the Fund  
13 when establishing the governance structure.

21 (2) To encourage private investment, the Commissioner may provide an  
22 [initial] equity capital investment in the Fund in an amount up to \$2,500,000 from the  
23 Banking Institution and Credit Union Regulation Fund.

24 (f) (1) Through June 30, [2028] **2030**, the Commissioner may match an  
25 investment made in the Fund by a banking institution or credit union up to the amount of  
26 the assessment credit earned by the banking institution or credit union in accordance with  
27 § 5–203(d) or § 6–712(c)(4) of this article.

28 (2) The Commissioner may not make an investment in the Fund after June  
29 30, [2028] 2030.

30 (g) All investment returns or return of capital from the Fund with respect to an  
31 investment authorized by the Commissioner shall be credited to the Banking Institution  
32 and Credit Union Regulation Fund.

33 (h) At the direction of the Commissioner, and in addition to any customary and  
34 appropriate audits of the Fund, the governing body of the Fund shall obtain the services of

1 an independent third party designated by the Commissioner on an annual basis to evaluate  
2 whether the investments made to the Fund comply with this section.

3 (i) (1) If the Commissioner determines that separate private venture funds  
4 are necessary to accomplish the purpose of the Fund, the Commissioner may use money  
5 from the Fund to establish additional private venture funds.

6 (2) An additional private venture fund established in accordance with this  
7 subsection shall comply with the requirements of subsections (b) through (f) of this section.

8 (J) (1) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
9 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE AND**  
10 **MAY NOT BE DEEMED A PART OF THE GENERAL FUND OF THE STATE.**

11 (2) **UNLESS OTHERWISE PROVIDED BY LAW, NO PART OF THE FUND**  
12 **MAY REVERT OR BE CREDITED TO:**

13 (I) **THE GENERAL FUND OF THE STATE; OR**

14 (II) **EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION,**  
15 **A SPECIAL FUND OF THE STATE.**

16 (K) (1) **THE STATE TREASURER IS THE CUSTODIAN OF THE FUND.**

17 (2) **THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**  
18 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

19 (3) **ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**  
20 **THE FUND.**

21 (L) **THE COMMISSIONER MAY ADOPT REGULATIONS REASONABLY**  
22 **NECESSARY TO CARRY OUT THIS SECTION.**

23 3-213.

24 (a) Any commercial bank may amend its charter, in any manner not inconsistent  
25 with law, as provided in this section.

26 (b) A proposed amendment shall be approved at a meeting called for that purpose,  
27 by the affirmative vote of the holders of two thirds of the capital stock of the commercial  
28 bank.

29 (c) If the proposed amendment is to authorize the issuance of preferred stock, the  
30 proposed amendment shall be approved by the affirmative vote of the holders of a majority  
31 of the capital stock of the commercial bank.

(d) After an amendment is approved by the stockholders:

(1) The president of the commercial bank and either its cashier or treasurer shall certify the amendment; and

7        [(e) On filing the amendment for examination, the commercial bank shall pay to  
8 the Commissioner an examination fee of \$20.]

9 5-203.

(a) (1) In this section the following words have the meanings indicated.

15 (3) "De novo branch" [has the meaning stated in § 5-1001 of this title]  
16 MEANS A DEPOSIT-TAKING OFFICE OF A BANKING INSTITUTION IN THE STATE THAT  
17 WAS OPENED TO THE PUBLIC FOR THE FIRST TIME DURING THE CALENDAR YEAR  
18 IMMEDIATELY PRECEDING A REQUEST FOR AN ASSESSMENT OFFSET CREDIT THAT:

19 (I) WAS ORIGINALLY ESTABLISHED BY THE BANKING  
20 INSTITUTION AS A BRANCH; BUT

21 (II) DID NOT BECOME A BRANCH OF THE BANKING INSTITUTION  
22 AS A RESULT OF:

(5)] “Deposits” means deposits originated and housed at a branch located in a low– to moderate–income tract as reported by a banking institution to the Federal Deposit Insurance Corporation each year as of **[June 30] DECEMBER 31**.

13 (b) The Commissioner shall impose annual assessments on each banking  
14 institution as provided in this section[,] to cover the expense of regulating banking  
15 institutions.

16 (c) (1) Except as provided in paragraph (2) of this subsection, the  
17 Commissioner shall assess each banking institution the sum of:

18 (i) \$8,000; plus

(ii) 1. 12 cents for each \$1,000 of the assets of the institution over  
\$50,000,000, but not more than \$250,000,000;

4. 8 cents for each \$1,000 of assets over \$1,000,000,000, but  
not more than \$10,000,000,000; and

27 5. 7 cents for each \$1,000 of assets over \$10,000,000,000.

(2) If a banking institution is not in the business of accepting deposits or retaining funds in a deposit account as defined in § 5-509 of this title, the Commissioner shall assess the banking institution the sum of:

31 (i) \$5,000; plus

(ii) 1. 0.3 cents for each \$1,000 of managed assets held in a fiduciary capacity up to \$5,000,000,000;

13 (d) (1) A well-capitalized banking institution with a composite CAMELS  
14 rating of 1 or 2 may file with the Commissioner a request for an assessment offset credit of:

15                           [(1)] (I) 12 cents for each \$1,000 of deposits in a de novo branch located  
16 in a low- to moderate-income tract **IN THE STATE** for the first 5 years after the date the  
17 branch opened; or

18                   **[(2)] (II) 6 cents for each \$1,000 of deposits in a branch located in a**  
19 **low- to moderate-income tract not to exceed the [deposit growth] cap SET BY THE**  
20 **COMMISSIONER BY DECEMBER 31 OF THE CALENDAR YEAR IMMEDIATELY**  
21 **PRECEDING THE REQUEST FOR AN ASSESSMENT OFFSET CREDIT.**

22 (2) IN ADDITION TO AN ASSESSMENT OFFSET CREDIT UNDER  
23 PARAGRAPH (1) OF THIS SUBSECTION, A WELL-CAPITALIZED BANKING INSTITUTION  
24 WITH A COMPOSITE CAMELS RATING OF 1, 2, OR 3 MAY FILE WITH THE  
25 COMMISSIONER A REQUEST FOR AN ASSESSMENT OFFSET CREDIT OF:

26 (I) \$5,000 ON RECEIVING THE COMMISSIONER'S INITIAL  
27 APPROVAL THAT THE BANKING INSTITUTION OFFERS AT LEAST ONE MARYLAND  
28 OPPORTUNITY ACCOUNT; AND

4 (f) A banking institution shall pay the assessment imposed under this section to  
5 the Commissioner on or before the April 15 after it is imposed.

6 (g) The Commissioner may designate a successor index for[:]

7 (1) The] THE low- to moderate-income tract if the Federal Financial  
8 Institutions Examination Council tract income level data is no longer published[; or

11 5-707.

12                   (a)    **(1)**    In this section, “emergency” has the meaning stated in § 14–307 of the  
13    Public Safety Article.

25 (4) When the Governor authorizes, but does not require, the banking  
26 institution to be closed, the chairman of its board of directors or its president shall decide  
27 whether to close or remain open.

28 (c) (1) If an emergency exists and affects a banking institution and if it is not  
29 practical to obtain a proclamation from the Governor before closing the affected institution,  
30 the chairman of its board of directors or its president:

31 (j) May close the banking institution; and

3 (2) A banking institution may be closed under this subsection until the  
4 earlier of:

5 (i) Issuance by the Governor of a proclamation that relates to the  
6 emergency closing;

7 (ii) Notice to the banking institution that the Governor will not issue  
8 a proclamation;

11 (iv) 5 p.m. on the third day after the closing, except for Saturdays,  
12 Sundays, and legal holidays.

13 5-806.

14 (a) Except for a [bank, trust company, savings bank,] **BANKING INSTITUTION,**  
15 **A NATIONAL BANKING ASSOCIATION, AN OTHER-STATE BANK,** or a savings and loan  
16 association that is authorized to do business in this State, a person may not use any name,  
17 title, or other words that represent that the person is authorized to do the business of  
18 banking in this State.

19 (b) (1) (i) In this subsection the following terms have the meanings  
20 indicated.

27 (iii) "Name" means the name, trade name, trademark, service mark,  
28 logo, or tagline used by a bank to identify itself.

34 (i) Originated from the bank;

- (ii) Originated from someone affiliated, connected, or associated
- (iii) Is approved or sponsored by the bank; or
- (iv) Is the responsibility of the bank.

(c) In addition to any other remedies a bank may have under any other provision, a bank that is affected by a violation of subsection (b) of this section may bring an action against the person that committed the violation to recover:

- (1) Actual damages sustained as a result of the violation;
- (2) Either:
  - (i) All profits attributable to the violation; or
  - (ii) \$1,000 for each violation; and
- (3) Court costs and reasonable attorney's fees.

13 (d) Any person who violates subsection (a) of this section is guilty of a  
14 misdemeanor and on conviction is subject to a fine not exceeding \$3,000 or imprisonment  
15 not exceeding 5 years or both.

16 6-712.

(a) (1) In this section the following words have the meanings indicated.

(2) "BRANCH" MEANS A DEPOSIT-TAKING OFFICE OF A CREDIT  
THE STATE THAT IS OPEN TO THE PUBLIC AS OF DECEMBER 31 OF THE  
YEAR PRECEDING THE REQUEST FOR AN ASSESSMENT OFFSET CREDIT.

26 (I) WAS ORIGINALLY ESTABLISHED BY THE CREDIT UNION AS A  
27 BRANCH; BUT

28 (II) DID NOT BECOME A BRANCH OF THE CREDIT UNION AS A  
29 RESULT OF:

7                   [(3) “Deposit growth cap” means the year-over-year percentage change of  
8 total shares and deposits reported December 31 each year by federally insured credit unions  
9 to the National Credit Union Administration and published in the National Credit Union  
10 Administration Call Report Aggregate Financial Performance Reports.]

14 (5) "Low- to moderate-income tract" has the meaning stated in § 5-203 of  
15 this article.

20 (b) This section applies only to a credit union with assets of \$300,000 or greater.

21 (c) (1) The Commissioner shall impose an annual assessment on each credit  
22 union as provided in this subsection to cover the expense of regulating credit unions.

(2) The Commissioner shall assess each credit union the sum of:

24 (i) \$1,000; and

25 (ii) 8 cents for each \$1,000 of the assets of the credit union over  
26 \$1,000,000.

29 (4) A well-capitalized credit union with a composite CAMELS rating of 1  
30 or 2 may file with the Commissioner a request for an assessment offset credit of:

31 (i) 12 cents for each \$1,000 of deposits in a de novo branch located  
32 in a low- to moderate-income tract for the first 5 years after the date the de novo branch  
33 opened; or

5 (5) IN ADDITION TO AN ASSESSMENT OFFSET CREDIT UNDER  
6 PARAGRAPH (4) OF THIS SUBSECTION, A WELL-CAPITALIZED CREDIT UNION WITH A  
7 COMPOSITE CAMELS RATING OF 1, 2, OR 3 MAY FILE WITH THE COMMISSIONER A  
8 REQUEST FOR AN ASSESSMENT CREDIT OF:

9 (I) \$5,000 ON RECEIVING THE COMMISSIONER'S INITIAL  
10 APPROVAL THAT THE CREDIT UNION OFFERS AT LEAST ONE MARYLAND  
11 OPPORTUNITY ACCOUNT; AND

16 (d) A credit union shall pay the assessment imposed under this section to the  
17 Commissioner on or before the [March 1] **APRIL 15** after the assessment is imposed.

18        [e] The Commissioner may designate a successor index for the deposit growth cap  
19 if the National Credit Union Administration Call Report Aggregate Financial Performance  
20 Reports is no longer published.]

21 6-901.

22 (a) (1) Except for a credit union **OR AN OUT-OF-STATE CREDIT UNION**  
23 authorized to do business in this State, a person may not:

24 (i) Use or advertise any name or title that contains the words "credit  
25 union" or any derivation of that term;

26 (ii) Represent itself as a credit union;

27 (iii) Conduct business as a credit union; or

28 (iv) Conduct business under a name or title that:

2. Is calculated to lead a person to believe that the business  
engaged in or transacted is the type of business conducted by a credit union.

6 (b) This section does not apply to an association or league of credit unions,  
7 whether or not the association or league is incorporated.

## Article – State Finance and Procurement

9 6-226.

10 (a) (2) (i) This paragraph does not apply in fiscal years 2024 through 2028.

21 213. the Population Health Improvement Fund; AND

## 214. THE MARYLAND COMMUNITY INVESTMENT VENTURE

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
25 1, 2026.