

Chapter 392

(Senate Bill 920)

AN ACT concerning

**Economic Development – Small, Minority, and Women–Owned Business
Accounts – Management Fees
(Small Business Increased Access to Capital Act)**

FOR the purpose of authorizing the Department of Commerce to authorize an eligible fund manager to receive, use, and retain a certain management fee; authorizing the Department to set an annual cap on the amount of certain management fees; and generally relating to management fees for eligible fund managers of Small, Minority, and Women–Owned Business Accounts.

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 5–1501(a)
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 5–1501(g)
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

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

Article – Economic Development

5–1501.

(a) In this section, “eligible fund manager” means:

(1) an entity that has significant financial or investment experience, under criteria developed by the Department; and

(2) includes an entity that the Department designates to manage funds received under subsection (c)(1) of this section.

(g) (1) Subject to paragraph (2) of this subsection, an eligible fund manager may use money from grants received under this section to pay expenses for administrative, actuarial, legal, and technical services.

(2) The Department shall set the maximum amount of grant money that each eligible fund manager may use under paragraph (1) of this subsection.

(3) (I) IN ADDITION TO ~~OR IN LIEU OF~~ THE AMOUNT AUTHORIZED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT MAY AUTHORIZE AN ELIGIBLE FUND MANAGER TO RECEIVE A MANAGEMENT FEE THAT IS CALCULATED AS A PERCENTAGE OF EACH LOAN MADE UNDER SUBSECTION (D) OF THIS SECTION.

(II) THE PERCENTAGE AUTHORIZED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT BE LESS THAN 1.5% AND MAY NOT EXCEED 3% OF THE TOTAL LOAN PRINCIPAL.

(III) A MANAGEMENT FEE AUTHORIZED UNDER THIS PARAGRAPH SHALL BE PAID FROM THE ACCOUNT AND MAY BE RETAINED BY AN ELIGIBLE FUND MANAGER FOR ADMINISTRATIVE PURPOSES RELATED TO LENDING ACTIVITIES UNDER SUBSECTION (D) OF THIS SECTION.

(4) THE DEPARTMENT MAY ESTABLISH AN ANNUAL CAP ON THE CUMULATIVE AMOUNT OF MANAGEMENT FEES AN ELIGIBLE FUND MANAGER MAY RECEIVE UNDER PARAGRAPHS (2) AND (3) OF THIS SUBSECTION.

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

Approved by the Governor, May 12, 2026.