



**HB 798 – Economic Development – Small, Minority, and Women-Owned Business Accounts – Management Fees (Small Business Increased Access to Capital Act)**

**Committee:** House Economic Matters Committee

**Date:** February 24, 2026

**Position:** Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** HB 798. This legislation authorizes the Department of Commerce to allow eligible fund managers administering the Small, Minority, and Women-Owned Business Accounts to receive a modest and standardized management fee of between 1.5% and 3% of total loan principal, dedicated specifically to covering administrative, legal, actuarial, and technical expenses associated with loan origination and portfolio oversight. This modernization reflects an understanding of what it takes to deliver high-quality lending services to Maryland’s most underserved entrepreneurs.

Banks and other financial partners possess the underwriting expertise, risk-management discipline, and operational infrastructure necessary to responsibly deploy capital in partnership with state economic-development programs. HB 798 establishes a balanced, predictable, and performance-aligned compensation mechanism that reflects the true cost of delivering mission-focused lending services. This bill improves the long-term viability of Maryland’s Small, Minority, and Women-Owned Business Account programs—an outcome aligned with the state’s broader economic-development goals.

Accordingly, MBA urges the issuance of a **FAVORABLE** report on HB 798.

*The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding \$194.8 billion in deposits in over 1,100 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.*