



**SB 763 – Maryland Technology Development Corporation - Maryland Growth Initiative -
Established**

Committee: Senate Finance Committee

Date: March 5, 2026

Position: Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** SB 763. This legislation establishes the Maryland Growth Initiative and Maryland Growth Initiative Fund within TEDCO to support the growth of start-up companies in Maryland. MBA supports the creation of the Initiative and the Fund as they stimulate business creation, strengthen the local economy, and promote long-term financial stability for businesses in Maryland.

Maryland banks play a critical role in supporting economic growth but providing financing to start-up companies presents inherent challenges. Start-ups often lack the established credit history, collateral, and predictable cash flow that banks rely on to responsibly underwrite loans. Federal safety-and-soundness standards require banks to evaluate a borrower’s demonstrated ability to repay; however, early-stage companies typically operate with unproven business models and limited operating history. As a result, banks must be cautious when extending credit in these circumstances, even when the underlying business idea shows promise.

Programs like the Maryland Growth Initiative can help bridge this gap. By providing access to experts, facilitating investment, and assisting in infrastructure development, the Maryland Growth Initiative helps reduce the high level of risk banks face when lending to emerging companies. These tools allow banks to participate more confidently in early-stage financing and expand credit availability to businesses that would otherwise be deemed too risky. Ultimately, this Initiative empowers banks to extend credit to high-potential start-ups, fueling innovation, job creation, and long-term economic growth across the region.

Accordingly, MBA urges the issuance of a **FAVORABLE** report **on** SB 763.

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.