

20260129 MCIV Fund Overview.pdf

Uploaded by: Amy Hennen

Position: FAV



THE OFFICE OF GOVERNOR
WES MOORE

Maryland State Innovation Team

Access to Capital & Maryland Community Investment Venture Fund

January 2026

Table of Contents

01 The MCIV Fund

02 Our Progress

03 Our Insights

04 Measurement



The MCIV Fund

Understanding the Maryland Community Investment Venture (MCIV) Fund Opportunity



State of Maryland
Office of Financial Regulation

Granting up to \$50,000* to support the implementation of fintech pilots that help SCFIs better serve LMI small businesses

The Maryland Community Investment Venture (MCIV) Fund was established in 2023 to accelerate the adoption of financial innovations that enhance access to capital and other financial services for small business owners in low-to moderate-income (LMI) communities

State-chartered financial institutions (SCFIs) can benefit from:

Low-to-no cost fintech solution discovery and testing

- Collaborate with leading fintechs and help enhance customer and member acquisition strategies
- Discover and pilot new technologies that address the unique financial needs of LMI communities

Community Leadership

Underscore commitment to financial inclusion and community development

Approved fintech companies may gain access to:

Funding

Access to grant dollars to develop and test solutions

Pilot Opportunities

Collaborate with Maryland state-chartered banks and credit unions to deploy and refine your technology

Real-World Impact

Contribute to financial inclusion and make a tangible difference in LMI communities

* The MCIV Fund grants between \$25,000 and \$50,000 to support pilot implementation of a tech solution that can meaningfully improve access to capital and financial services to LMI small business members of Maryland state-chartered credit unions and banks. Although funding is granted to awarded fintechs, fintechs are not eligible unless they enter a pilot partnership with a Maryland State-Chartered Financial Institution before applying.

Our Progress

Maryland Community Investment Venture (MCIV) Fund Progress

Helping community banks and credit unions adopt new financial solutions to better serve Maryland small businesses in high-need areas.

CHALLENGE

- With **62% of low- to moderate-income (LMI) census tracts lacking physical branches**, residents and small businesses face critical gaps in capital access and banking services. Trusted community banks struggle to bridge this divide due to barriers in **adopting the financial technology necessary** to better serve these customers

APPROACH

- Operationalized and publicly launched a **\$2.5M MCIV Fund**, established as part of the *2023 Access to Banking Act*, covering up to \$50k for pilots for community banks and credit unions to adopt solutions for LMI communities.
- Interviewed 150+ community members, **engaged with the top community banking and credit union executives** in the state, and **engaged fintechs and accelerators** nationwide to help find solutions
- Hosted a **"demo day"** connecting Maryland financial institutions with high-impact fintech partners to jumpstart innovative collaborations

IMPACT

- Successfully **facilitated several emerging partnerships** between a Maryland state-chartered financial institution and fintech partner, with three grant applications submitted
- **Gained national recognition** as a scalable model for financial inclusion, attracting interest from federal leaders and media as a blueprint for how states can catalyze financial inclusion programs for impact

NEXT STEPS

- The first cohort of pilots is expected to be announced in early 2026.
- The program's initial success informed the 2026 Access to Banking Act upgrade for this legislative session, which aims to expand the Fund's scope to support consumer financial health in addition to small businesses

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Our Insights

We engaged with **150+** stakeholders during two months of research

100+ hours

Conducting primary research across:

- Small business owners (SBOs)
- Financial empowerment organizations and nonprofits
- Entrepreneur empowerment organizations
- Financial institutions and banking industry associations
- Fintech ecosystem leaders

9

SBO/entrepreneur events and workshops attended



120+

SBOs engaged at events

30+

1:1 in-depth interviews with SBOs



62

survey responses from SBOs in Maryland



28

1:1 in-depth interviews with financial empowerment organizations



17

1:1 in-depth interviews with leaders in the financial technology ecosystem



20

Financial institutions and banking industry associations engaged



Small businesses with fewer than 50 employees make up ~94% of all businesses in Maryland*



~134,000

Total Maryland businesses with **<50 employees****

~955,000

Estimated total Maryland employees of businesses with **<50 employees**



45%

Of wage workers with children under 5 in the US are employed by businesses with **<50 employees**

64%

Of wage workers living in poverty in the US are employed by businesses with **<50 employees**

However, several groups are underrepresented among business owners in Maryland

- **Only 20%** of business owners are Black or African American compared to 29% of the total Maryland population
- 51% of the total Maryland population is female, but **only 41%** of business owners are women

* Small businesses with fewer than 50 employees employ 39.2% of employees in the state. Those with fewer than 500 employees make up 99.8% of all in Maryland and employ 77.9% of employees

** Count of employers only, excludes sole proprietorship. SDAT counts of business registrations which include sole proprietors place this figure at 361,354

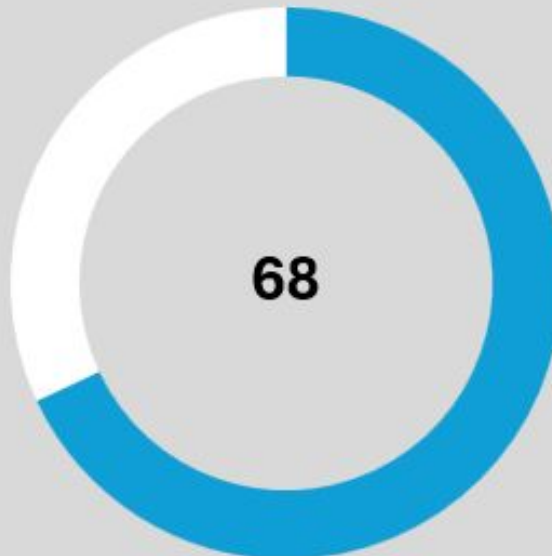
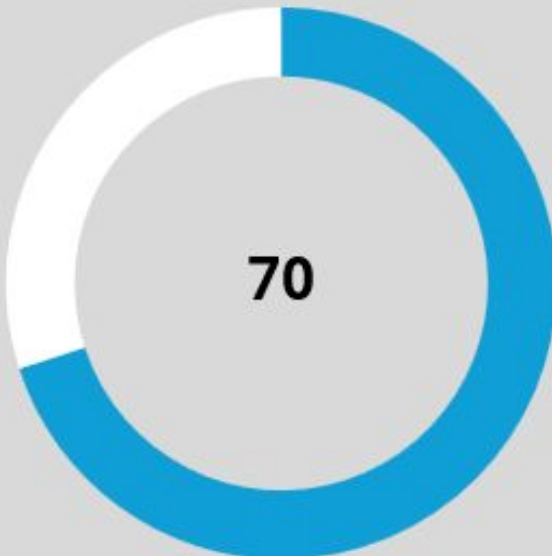
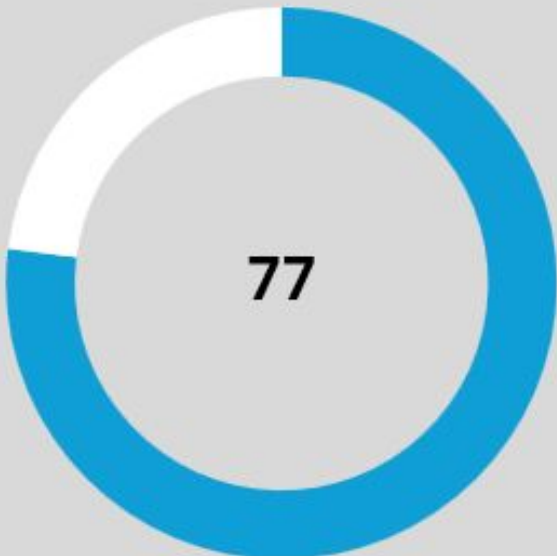


Access to capital is one of the biggest barriers to small business growth

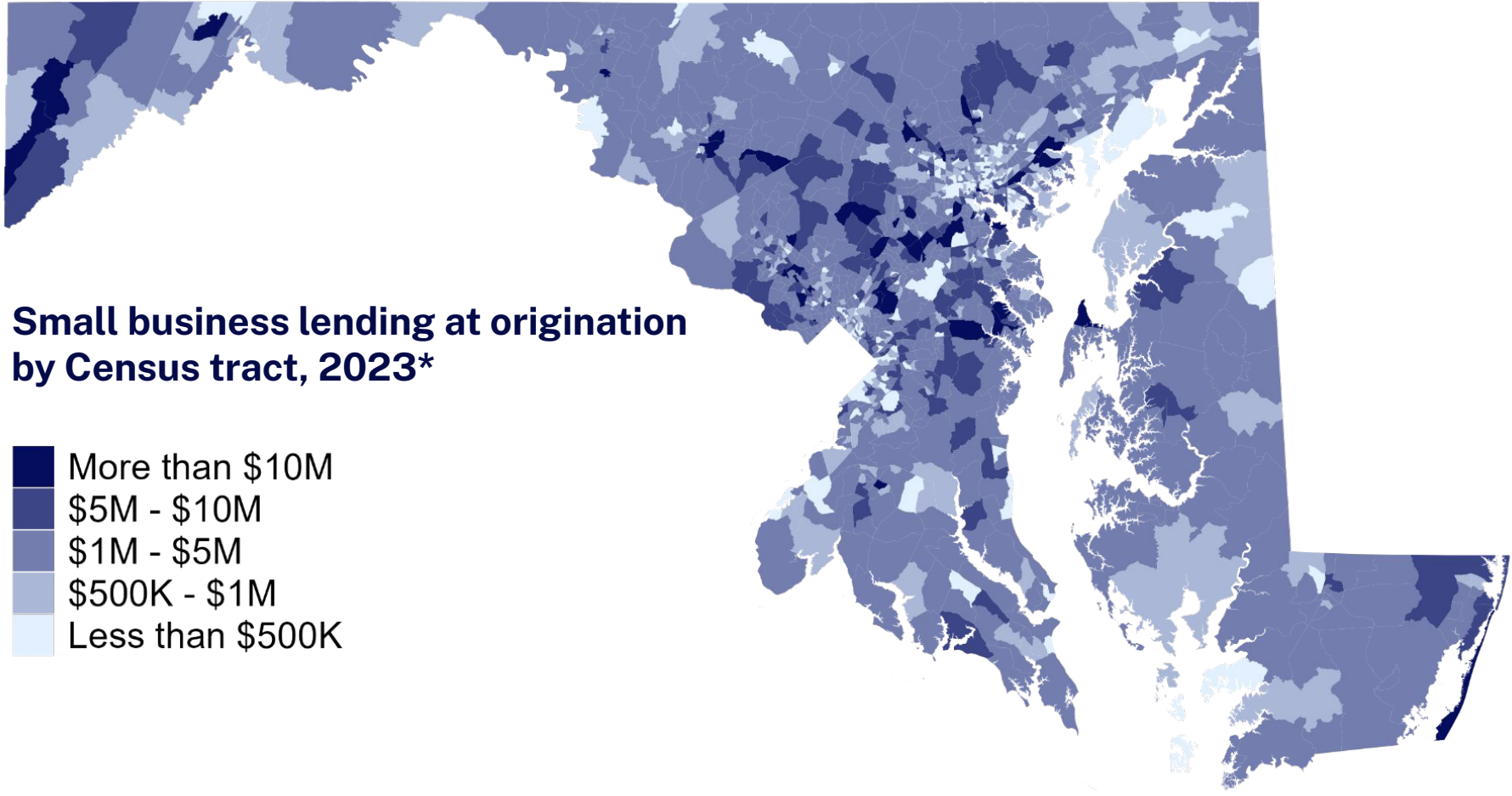
In 2024, **77%** of small business owners in the US were **concerned about their ability to access capital.**¹

In a 2024 survey, **70%** of small businesses had **less than four months of operating cash** on hand.²

Over two-thirds of small business owners identify access to financing as **the primary driver of their business growth.**³



In Maryland, only 20% of total small business loan dollars originates in low- to moderate-income communities



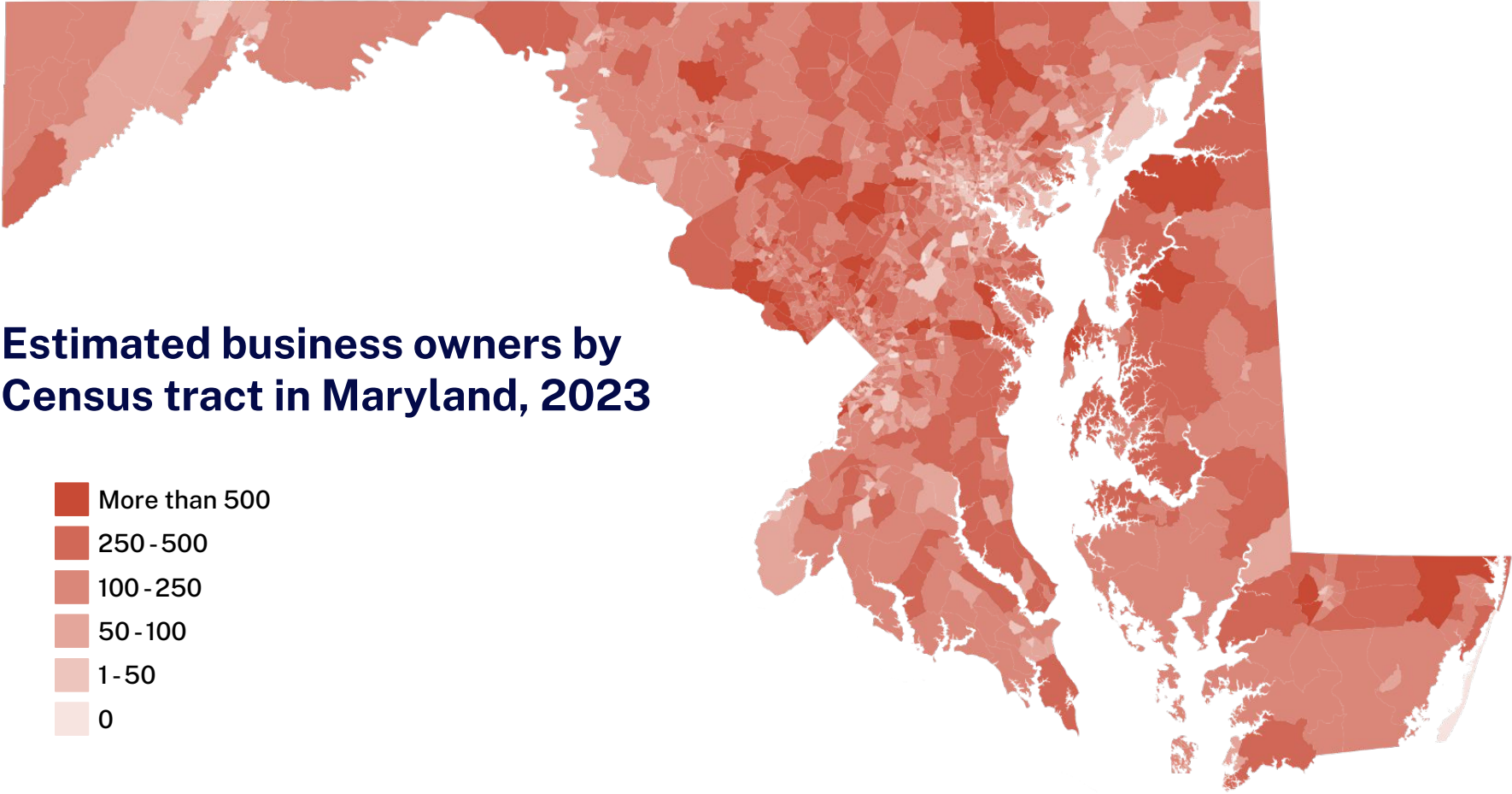
For every **additional \$1** in an area's median family income, small business lending activity **increases by \$8****

* Origination refers to the creation of a new loan, as opposed to a "purchase" where the ownership of the loan is transferred to another financial institution

** 95% confidence interval is \$5.00 to \$11.03



Only 23% of all Maryland business owners are located in low- to moderate-income communities



For each 9% increase in small business loan dollars, **1 additional small business is created per community**



We uncovered four primary barriers to accessing capital from traditional lending sources

INSIGHT 1

Structural Misalignment Barriers

Too many small business owners face a financial system built for **someone else**. Products and terms are tailored to the needs of larger or more traditional businesses — leaving entrepreneurs navigating outdated or rigid structures that don't reflect their realities.

INSIGHT 3

Relationship & Trust Barriers

In underserved communities, small business owners navigate a financial landscape that feels distant, both physically and relationally. Facing a complex system they don't trust, they turn inward — relying on personal savings and informal networks to stay afloat.

INSIGHT 2

Readiness & Education Barriers

For small business owners, accessing capital too often means balancing on a three-legged stool — **personal credit, business performance, and financial literacy**. Instead of a pathway to stability, the system guarantees precarity — if even one leg falters, the whole enterprise collapses.

INSIGHT 4

Process & Accessibility Barriers

Small business owners are burdened by time-consuming financial applications that drain the very resources they **need to keep their businesses running**. Entrepreneurs aren't asking for shortcuts — they're asking for transparency, fairness, and a process that meets them where they are.



Measurement

The program has achieved noteworthy early operational success and is well-positioned to measure pilot and long-term impact metrics

Non-exhaustive * Leading indicator for long-term impact

Near-term

Operational metrics:

- ✓ **1,154** unique MCIV webpage visitors since May 2025
 - ✓ **160** fintech interest forms received
 - ✓ **14** fintech pitches during demo day
 - ✓ **4** preliminary financial institution-fintech partnerships formed
 - ✓ **3** MCIV Fund applications submitted for review
- Total \$ amount of capital deployed

Quantifying the Opportunity

- An estimated **5,600** business owners in LMI communities are **served by state-chartered institutions**

Mid-term (Spring 2026)

Pilot metrics¹:

- # of first-time borrowers reached*
- Increased approval rates for small business loans in target areas*
- Reduction in average time from application to loan disbursement
- # of products developed or refined with community feedback
- Improved borrower experience and satisfaction with financial institutions*
- Increased financial readiness (e.g., credit scores, business plans)*

- There are an estimated **63,000** business owners **living in LMI communities**

Long-term

Impact metrics:

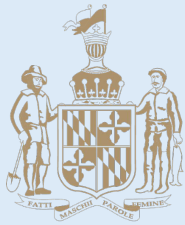
- Reduced racial and geographic disparities in access to capital
- Growth in small business density in LMI areas
- Improved business survival rates in targeted communities
- Increased local revenue and job creation
- Increased trust with financial institutions and the traditional financial system
- Increased household income and reduced child poverty in target communities

- Small businesses in LMI communities employ an estimated **364,000 people**

1. KPIs for pilots will depend on the solutions and institutional partnerships



We welcome the opportunity to collaborate and share more.



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INNOVATION TEAM

We are happy to connect to share additional lessons learned and explore collaboration opportunities.

Please reach out to us at:

- Francesca Ioffreda, francesca.ioffreda@maryland.gov
- Charlie Rixey, charlie.rixey@maryland.gov



Applications open for MD fund linking community le

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Applications open for MD fund linking community lenders and fintechs to address lending gaps


Christine Tobar (https://thedailyrecord.com/author?subject=Applications-open-for-MD-fund-linking-community-lenders-and-fintechs-to-address-lending-gaps) // 4 Minute Read
Maryland has opened the application window for a new fund meant to broaden access to capital for small businesses in underserved communities. The Maryland Community Investment Venture Fund, launched under... You can read the content in details following link https://thedailyrecord.com/2025/11/19/maryland-small-business-capital-access-fund/

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Key takeaways

- Maryland launches Community Investment Venture Fund under the 2023 Access to **Banking** (https://thedailyrecord.com/tag/banking/) Act.
- Fund will support **fintech** (https://thedailyrecord.com/tag/fintech/) tools that help community lenders reach underserved small businesses.
- More than 150 fintech firms and state-chartered lenders have expressed strong interest.
- Pilot projects expected to launch in 2026 with measurable impact requirements.

Maryland has opened the application window for a new fund meant to broaden access to capital for small businesses in underserved communities. The Maryland Community Investment Venture Fund, launched under the 2023 Access to Banking Act, began accepting applications Nov. 10, with state officials expecting to select pilot projects early next year.

The program aims to address long-standing challenges for small businesses in low- and moderate-income communities, where traditional **financing** (https://thedailyrecord.com/tag/financing/) can be difficult to secure. The fund will offer grants to fintech firms developing tools community lenders can use to reach more businesses, streamline loan processes, and strengthen financial services in areas that have historically lacked access. No grant funds have been awarded yet, and no businesses have received support to date.



Francesca Ioffreda is the Chief Innovation Officer for State of Maryland, Executive Office of Governor Wes Moore. (Submitted photo)

State officials describe the fund as a way to pair local lending relationships with new financial technology.

“Small business (<https://thedailyrecord.com/tag/small-business/>) owners remind us every day that opportunity begins locally,” Chief Innovation Officer for State of Maryland, Executive Office of Governor Wes Moore, Francesca Ioffreda said. “Even in a digital economy, access to capital often depends on the relationships and trust built within a community. Maryland’s state-chartered banks and credit unions provide that high-touch support, grounded in decades of reinvesting in their own neighborhoods. The MCIV Fund brings together the best of both worlds: community-anchored relationships and innovative financial tools to help local institutions expand access to capital and fuel more inclusive investment across Maryland.”

RELATED: MD credit unions strengthen ties with small businesses
(<https://thedailyrecord.com/2025/11/17/maryland-small-business-credit-unions-banking/>)

According to the Maryland Office of Financial Regulation, foundational work over the past year has focused on understanding the financial realities of small businesses and the needs of state-chartered lenders. The Office of Financial Regulation, in collaboration with the Governor’s Innovation Team, conducted surveys, interviews, and focus groups with more than 150 stakeholders to identify barriers to capital access in low- and moderate-income communities.

Administration officials said the state also hosted more than two dozen events, including Q&A sessions, roundtables, demonstrations, and two larger gatherings: the Access to Capital Community Symposium in June and the MCIV Connect event in September. Those sessions brought fintech developers, community lenders, and small-business owners together to share challenges and discuss potential solutions.

Officials describe this period as a critical “connective” phase, intended to ensure that when the first pilots launch in 2026, they reflect the needs of local communities and the operational realities of the lenders serving them.

Administration officials said interest in the fund has been strong on both sides of the partnership model. More than 150 fintech firms have submitted interest forms, and Maryland’s state-chartered banks and credit unions have signaled significant engagement, supported by the [Maryland Bankers Association](https://thedailyrecord.com/tag/maryland-bankers-association/) (<https://thedailyrecord.com/tag/maryland-bankers-association/>) and the MD|DC Credit Union Association.

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The application process emphasizes accountability: each applicant must outline how its product will address barriers facing businesses in low-income communities, and proposals must include measurable impact metrics. Partnering with a state-chartered financial institution is a requirement, officials said – a guardrail intended to ensure that pilots directly benefit local communities rather than larger national players.

RELATED: Small businesses face strong headwinds amid economic uncertainty

(<https://thedailyrecord.com/2025/11/18/small-business-costs-inflation-regulations/>)

Antonio Salazar is the Commissioner of the Office of Financial Regulation, Maryland Department of Labor. (Submitted photo)

The fund also benefits from guidance from the MCIV Advisory Board, which includes leaders from **TEDCO** (<https://thedailyrecord.com/tag/tedco/>), the Cash Campaign of Maryland, the Maryland Bankers Association, and the MD|DC Credit Union Association. According to administration officials,

this structure is designed to maintain the program’s community-centered approach and keep it grounded in practical needs.

Pilot projects are expected to launch after awards are made in early 2026. The Office of Financial Regulation said it will track metrics tailored to each project, ranging from loan volume and processing times to customer satisfaction and outreach in new communities.

“The Maryland Community Investment Venture Fund was created to help small business owners in low- to moderate-income communities better access capital and financial services through innovative financial tools,” said Antonio Salazar, Commissioner of the Office of Financial Regulation, Maryland Department of Labor. “Already, financial institutions, small businesses, and financial technology providers are connecting to discuss the challenges our communities face when it comes to accessing capital, and how to bridge those gaps. This is an early sign of success, and we look forward to funding pilot programs to make their ideas a reality.”

OFR officials said they expect the most valuable pilots to scale beyond individual institutions and eventually be adopted more broadly across the state. The long-term goal, officials said, is to build a more inclusive banking ecosystem in Maryland. They want community institutions to have both the relationships and the technological tools needed to better serve small businesses.

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Submit an entry (/calendar-entry/) for the business calendar

SB0043 - 2026 Venture Fund Revisions Written Test

Uploaded by: Amy Hennen

Position: FAV

MARYLAND DEPARTMENT OF LABOR TESTIMONY ON SENATE BILL 43

TO: Senate Finance Committee
FROM: Tony Salazar, Commissioner of Financial Regulation
DATE: January 29, 2026
BILL: Financial Institutions - Maryland Community Investment Venture Fund
and Regulation of Entities - Revisions

MD LABOR POSITION: Support

This legislation updates **Governor Moore’s 2023 Access to Banking Act (HB 548)** by enhancing fair and equal access to financial services, particularly for consumers and businesses in Low-to-Moderate Income (LMI) communities. The original legislation established the Maryland Community Investment Venture Fund (MCIV), for the purposes of developing opportunities for banking institutions and credit unions to better serve the needs of LMI areas in the State. The changes in this legislation are designed to have a meaningful equity impact and further the original policy's goal of stabilizing branch locations in LMI areas and assisting in closing the racial wealth gap.

Strong progress has already been made in implementing the Access to Banking Act, including giving \$165,148 in 2025 assessment credits to banks and credit unions for maintaining a physical presence in LMI areas. The changes in this legislation aim to address operational challenges identified by the Office of Financial Regulation (OFR) and clarify statutory language to make the application process for the annual assessment fee offset credit more efficient for Maryland state-chartered banks and credit unions. The proposed bill also eliminates two small fees and recognizes that institutions may close a branch or their operations if they face cyber “emergencies.”

The changes to the Access to Banking Act were recommended by the Maryland Community Investment Venture Fund Advisory Council and drafted in consultation with OFR counsel who believe these changes provide important clarification as they improve the implementation of the Access to Banking Act while maintaining its original goals: to foster **greater access to banking services in low- to moderate-income (LMI) areas and strengthen the MCIV Fund.**

Key Changes

- (a) MCIV Fund Non-Lapsing Language:** Includes language to confirm that state money in the MCIV Fund does not lapse at the end of each fiscal year, ensuring continuity of funds.
- (b) Extension of Matching Funds Window:** Extends the period during which the Commissioner may match funds contributed by Maryland state-chartered banks and credit unions to the MCIV Fund from 2028 to 2030.
- (c) Expansion of MCIV Fund Purpose:** Expands the scope of the MCIV Fund to include support for consumers in LMI communities, in addition to businesses.
- (d) Clarification of MCIV Fund Investment Vehicles:** Adds language to clarify that the MCIV Fund can be used as a grant program for deploying funds.
- (e) Maryland Opportunity Accounts:** Creates an additional assessment fee credit for Maryland state-chartered banks and credit unions that offer accounts that are designed to promote fair and equal access to financial services for Marylanders.

The proposed changes to the 2023 Access to Banking Act are a thoughtful and practical response to operational challenges identified during the Act's implementation. They ensure that Maryland state-chartered banks and credit unions can more easily participate in the annual offset credit program, while also safeguarding the stability and effectiveness of the Maryland Community Investment Venture Fund. These changes will help Maryland continue to promote financial inclusion and improve access to banking services for low- to moderate-income communities across the state.

The necessary funds have already been allocated from OFR's special fund, and the legislation does not require any increase or adjustment to existing funding. It does not generate new revenue or divert existing revenue sources.

The Department respectfully requests a favorable report on Senate Bill 43.

For questions, please contact Andrew Fulginiti at Andrew.Fulginiti@maryland.gov

FINAL- GOC Letter of Support (SB 43).pdf

Uploaded by: Andrea Barnes

Position: FAV

January 29, 2026

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

RE: Senate Bill (SB) 43 - Financial Institutions - Maryland Community Investment Venture Fund and Regulation of Entities - Revisions - Letter of Support

Dear Chair Beidle, Vice Chair Hayes, and members of the Senate Finance Committee,

The Governor's Office for Children (the Office) respectfully submits this letter of support for Senate Bill 43 - Financial Institutions - Maryland Community Investment Venture Fund and Regulation of Entities. SB 43 proposes amendments to the 2023 Access to Banking Act, which will advance Maryland's goals of increasing access to banking services for low-to-moderate-income (LMI) communities and promoting financial inclusion.

The Office supports SB 43 because of its alignment with the Governor's poverty, economic mobility, and racial wealth gap agendas. By providing an additional assessment fee credit, SB 43 encourages Maryland state-chartered banks and credit unions to provide access to bank accounts and other key financial services to historically underserved areas across the State. Additionally, by expanding the purpose of the fund, extending Commissioner match periods, removing fund lapse periods, and clarifying fund uses, SB 43 provides critical enhancements to the Maryland Community Investment Venture (MCIV) Fund, which will benefit small businesses and consumers in LMI communities.

Further, SB 43 eliminates fees that may pose a barrier to Maryland state-chartered banks and credit unions' participation in the aforementioned activities. This is consistent with the Governor's vision of a more hospitable business climate - allowing financial institutions to grow their investment in LMI communities. For these reasons, the Governor's Office for Children strongly supports SB 43 and urges a favorable report. Thank you for your consideration.

If you would like to discuss this further, please do not hesitate to contact Andrea Barnes, Policy Advisor and Manager of Legislative Affairs at andrea.barnes@maryland.gov.

Sincerely,



Carmel Martin
Special Secretary, Governor's Office for Children and Senior Advisor to the Governor for Policy

SB0043 - MBA - FAV - GR26.pdf

Uploaded by: Evan Richards

Position: FAV



SB 43 - Financial Institutions - Maryland Community Investment Venture Fund and Regulation of Entities - Revisions

Committee: Senate Finance Committee

Date: January 29, 2026

Position: Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** SB 43. This legislation, among other technical changes, builds on and refines the Access to Banking Act enacted in 2023. By updating the purpose, administration, and investment-matching provisions of the MCIV Fund, the bill strengthens its ability to direct capital to underserved communities and helps financial institutions better meet the needs of neighborhoods with traditionally limited access to financial products and services.

Under the Access to Banking Act, MCIV Fund resources support partnerships between Maryland-chartered financial institutions and financial technology firms to deploy innovative tools that expand access to capital for small businesses in low- to moderate-income areas. SB 43 broadens eligible beneficiaries to include individual residents, ensuring that entire communities benefit from these initiatives.

To further support these partnerships, the Access to Banking Act allows Maryland-chartered institutions to earn assessment offset credits for opening and maintaining branches in low- to moderate-income census tracts, with the option to donate those credits to the MCIV Fund. Existing language, however, limits participation by banks without a physical presence in those tracts. SB 43 reasonably expands eligibility by offering credits to institutions that open a “Maryland Opportunity Account,” thereby encouraging banks to offer accessible, lower-cost transaction accounts and enabling more institutions to contribute to the MCIV Fund.

Maryland banks remain committed to expanding access to credit in traditionally underserved communities. Accordingly, MBA urges the issuance of a **FAVORABLE** report on SB 43.

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.

Written Testimony_Innovation_EOG_Maryland Communit

Uploaded by: Francesca Ioffreda

Position: FAV



TO: Senate Finance Committee
FROM: Francesca Ioffreda, Chief Innovation Officer
DATE: January 29, 2026
BILL: Financial Institutions - Maryland Community Investment
Venture Fund and Regulation of Entities - Revisions

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MARYLAND OFFICE OF THE GOVERNOR TESTIMONY ON SENATE BILL 43
OFFICE OF THE GOVERNOR POSITION: Support

Honorable Members of the Senate Finance Committee,

The Office of the Governor is pleased to support Senate Bill 43. This legislation updates the 2023 Access to Banking Act to reinforce and strengthen the Maryland Community Investment Venture (MCIV) Fund, expanding its mandate to support not just small businesses, but the financial health of families in our low- to moderate-income (LMI) communities.

The Governor's Innovation Team is charged with identifying and delivering innovative new solutions to address Maryland's most complex challenges, specifically economic mobility and child poverty. A primary focus of our work with the Office of Financial Regulation centers around 'capital deserts' found in our low- to moderate-income communities. This lack of access stifles small business growth, limits job creation, and prevents families from building sustainable wealth. SB43 provides the necessary updates to scale our solutions and continue addressing these critical challenges.

Over the past year, the Innovation Team partnered with the Office of Financial Regulation (OFR) to operationalize the MCIV Fund, a first-of-its-kind grant initiative to bridge the capital gap for small businesses in LMI communities by supporting state-chartered financial institutions in adopting financial products and services that better meet their needs.

With OFR, the Innovation Team helped spearhead a robust and inclusive process to understand the existing capital landscape and community needs and build a national pipeline of fintechns around them.

Leading with Data and Community Input:

We initiated a rigorous discovery phase to ensure grants provided as part of the MCIV Fund addressed root causes rather than symptoms.

- **Stakeholder Engagement:** We engaged over 150 stakeholders, including small business owners, community leaders, and banking executives.
- **Capital Landscape Analysis:** We performed a statistical analysis of lending outcomes across Maryland, revealing significant geographic and economic disparities. Despite LMI communities comprising 32% of Maryland's neighborhoods, only 20% of small business lending occurs there.

- **The Core Finding:** Our research identified that the barrier to lending is not solely "credit risk," but also operational cost and borrower readiness. Community banks are vital anchors committed to serving their neighborhoods, but they often face structural hurdles related to processing small-dollar loans and serving unbanked customers.

Building the Innovation Pipeline

Leveraging insights from our research and engagement, we helped to build a national pipeline of 160 fintech applicants who could solve these specific friction points. This approach is already yielding results, with several emerging partnerships and three completed applications for our first cohort of pilots. Throughout this initiative, we have seen solutions focusing on three core technology areas:

- **Closing the Data Gap:** Testing technology that utilizes alternative credit data, allowing lenders to approve "viable but invisible" applicants who lack a traditional credit score.
- **Closing the Readiness Gap:** Deploying tools that integrate financial education directly into the banking workflow, helping applicants build creditworthiness over time.
- **Closing the Efficiency Gap:** Utilizing automation to reduce the cost of underwriting micro-loans, making it profitable for banks to serve the smallest businesses.

SB43 scales our early success to serve more Marylanders

While this pilot program is successful, the current statute limits the target users of these fintech solutions to small business owners. SB43 introduces critical updates that allow us to scale:

- **Expanding from Small Businesses to Consumers:** SB43 scales the Fund's potential by expanding its mandate to include consumer financial health, broadening its reach from 63,000 business owners to over 1.3 million Marylanders in LMI communities. This also allows us to deploy solutions for the many unbanked and underbanked Marylanders, particularly those living in LMI communities where the need is highest – focusing on family savings, credit building, and emergency financial stability.
- **Incentivizing "Maryland Opportunity Accounts":** The bill creates a structured incentive for banks and credit unions to offer safe, low-fee accounts to the unbanked. By offering assessment credits for these specific products, we directly support institutions as they bring new customers into the banking system.
- **Operational Stability:** Designating the MCIV Fund as a non-lapsing fund and extending the investment matching deadline to 2030 ensures the program has the long-term stability required to drive sustained, multi-year impact.

SB43 transforms a successful, nationally-recognized model into sustainable, long-term infrastructure for financial inclusion. It allows the State to leverage innovative technology to break down barriers and expand access to opportunities for the Maryland families who need them most.

We respectfully request a **favorable report** on SB43.

SB43 Maryland Venture Fund EconAction FAV.docx.pdf

Uploaded by: Marceline White

Position: FAV



**SB43 Financial Institutions-Maryland Community Investment Venture Fund & Regulations of
Entities-Revisions
Position: Favorable**

January 29, 2026

The Honorable Pam Beidle, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Senate Finance

Chair Beidle and Members of the Committee,

Economic Action Maryland Fund writes in support of SB43.

SB43 builds on the work of the Maryland Venture Fund to support banks and credit unions by incentivizing their investments and work in low-to-moderate income communities. As revised, the Maryland Venture Fund will include among its priorities support for increasing the financial well-being of consumers in low-to-moderate income communities as well as offering financial products and services that are tailored to the needs of financially fragile Marylanders.

Through our direct service work with older adults, tenants, and clients facing housing discrimination, it is clear that greater investment and attention in disinvested communities and the families who live in that footprint would increase economic security and access to opportunity.

For these reasons we support SB43 and urge a favorable report.

Best,

Marceline White
Executive Director

Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

2209 Maryland Ave · Baltimore, MD 21218 | www.econaction.org
Marceline White · Marceline@EconAction.org | Jennifer Bevan-Dangel · Jennifer@EconAction.org

Support_SB 43- Financial Institutions - Maryland C

Uploaded by: Robin McKinney

Position: FAV



SB 43 - Financial Institutions - Maryland Community Investment Venture Fund and Regulation of Entities - Revisions
Senate Finance Committee
January 29, 2026
SUPPORT

Chair Beidle, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 43. This bill builds on Maryland's commitment to expanding safe and affordable access to banking and financial services.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

In 2023, the General Assembly passed the Access to Banking Act (HB 548, 2023). This was in response to the growing number of Marylanders living in banking deserts and the persistent challenges faced by underbanked (insufficient access to banking institutions) and unbanked (people who are not served by banking institutions) households. The law also established the Maryland Community Investment Venture Fund which is a public and private investment vehicle designed to encourage banks and credit unions to better serve low- to moderate-income (LMI) communities by expanding access to capital, credit, and financial services. CASH is a member of the advisory committee to provide the Department with insights from our work with LMI consumers.

SB 43 strengthens the Access to Banking Act by expanding the Maryland Community Investment Venture Fund to explicitly include consumers and recognize that families are often the most affected by limited access to safe and affordable banking. The bill also allows the Fund to use additional tools, including grants and other forms of financial assistance, to better support innovation in underserved communities.

In addition, SB 43 encourages banks and credit unions to offer Maryland Opportunity Accounts. These are safe and low-cost transaction accounts that promote fair and equal access to financial services. These accounts help Marylanders avoid high fees, safely receive income, and build financial stability. It also encourages banks and credit unions to have more branch locations in LMI communities.

CASH served as the non-profit administrator for Baltimore City's Guaranteed Income (GI) program. This program served 200 young parents between the ages of 18- 24. Even though CASH interacted with a small population within Baltimore City, we were able to help around 40 young adults open a safe and affordable bank account that meets [Bank On](#) standards. Many of those bank accounts were with institutions that do not have a branch in their community. This means that many of the participants were still underbanked and continued to face unnecessary consequences. There are thousands of Marylanders that need access to banking institutions in their communities that range from young adults needing strong connections to financial institutions to secure their future, to older adults needing strong protection that banking institutions provide to protect their earnings.

Thus, we encourage you to return a favorable report for SB 43.

Creating Assets, Savings and Hope

2026 - SB43 - Financial Institutions - Maryland Co

Uploaded by: Rory Murray

Position: FAV



January 29, 2026

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

Organization – MD|DC Credit Union Association

Bill – SB43 - Financial Institutions - Maryland Community Investment Venture Fund and Regulation of Entities - Revisions

Position – Support

Chair Beidle, Vice Chair Hayes, and members of the Committee:

The MD|DC Credit Union Association is a trade association representing over 120 credit unions in Maryland, Delaware, and the District of Columbia, along with their more than 2.2 million members. We are pleased to support SB43, Financial Institutions - Maryland Community Investment Venture Fund and Regulation of Entities - Revisions. Our organization has been proud to collaborate with the Governor's Office on this initiative over the last three years, and we believe that the proposed changes are essential to ensuring that resources reach those who need them most.

The Maryland Community Investment Venture Fund is a critical tool for promoting economic development and financial inclusion in our state's low-to-moderate income communities. By providing funding for innovative financial products and services, the Fund helps to bridge the gap in access to capital and financial opportunities for underserved populations. The proposed revisions to the Fund's purpose and administration will enable it to more effectively achieve its mission and make a meaningful impact in the lives of Marylanders.

The MD|DC Credit Union Association is proud to participate on the Advisory Board convened by the Office of Financial Regulation to assist the Office with the creation and development of the Maryland Community Investment Venture Fund, a key pillar of the Act. We look forward to the Office deploying the resources in the Fund to uplift the communities that our member Credit Unions serve.

We applaud the bill's efforts to refine the Fund's governance structure, expand the types of investments that can be made, and increase the amount of funding available for investment. These changes will help to ensure that the Fund is operating efficiently and effectively, and that its resources are being used to maximum benefit.

Furthermore, we appreciate the bill's provisions related to assessment offset credits for banking institutions and credit unions that invest in the Fund or offer Maryland Opportunity Accounts. These incentives will encourage financial institutions to participate in the Fund and provide critical financial services to low-to-moderate income communities.



MD|DC
Credit Union Association

We understand that the intent of the Maryland Opportunity Accounts is to mirror the Cities for Financial Empowerment (CFE) “Bank On” accounts which are offered by participating banks and credit unions as a basic transaction account for everyday money management, typically with low fees and no overdraft charges. We look forward to working with the Commissioner’s office to ensure that our members are well aware of the benefits and requirements of these accounts.

In conclusion, the MD|DC Credit Union Association strongly supports SB43 and urges the Committee to favorably report the bill.

Thank you for your consideration of our testimony.

Sincerely,

John Bratsakis
President/CEO
MD|DC Credit Union Association