

# HOUSE BILL 129

B1, B5

6lr1447

(PRE-FILED)

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By: **Delegates M. Morgan, Arikian, Chisholm, Fisher, Grammer, Nawrocki, and Szeliga**

Requested: October 29, 2025

Introduced and read first time: January 14, 2026

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

### 2 **Public Funding – Nonprofit Entities – Reporting**

3 FOR the purpose of requiring a nonprofit entity that receives at least a certain amount of  
4 its funding each year from certain sources to report certain information to the  
5 Comptroller; and generally relating to reporting by nonprofit entities.

6 BY adding to

7 Article – State Finance and Procurement

8 Section 7-407

9 Annotated Code of Maryland

10 (2021 Replacement Volume and 2025 Supplement)

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

### 13 **Article – State Finance and Procurement**

14 **7-407.**

15 (A) IN THIS SECTION, “NONPROFIT ENTITY” MEANS A CORPORATION  
16 INCORPORATED IN THE STATE, OR OTHERWISE QUALIFIED TO DO BUSINESS IN THE  
17 STATE, THAT HAS BEEN DETERMINED BY THE INTERNAL REVENUE SERVICE TO BE  
18 EXEMPT FROM TAXATION UNDER § 501(C) OF THE INTERNAL REVENUE CODE.

19 (B) (1) A NONPROFIT ENTITY SHALL REPORT THE INFORMATION  
20 REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION TO THE COMPTROLLER  
21 FOR ANY CALENDAR YEAR THAT THE NONPROFIT ENTITY RECEIVES AT LEAST 50%  
22 OF ITS FUNDING FROM:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



**(I) A GRANT FROM THE STATE, A COUNTY, OR A MUNICIPALITY;**

## (II) THE STATE CAPITAL BUDGET;

(III) LOCAL IMPACT GRANTS PROVIDED UNDER § 9-1A-27 OF  
VERNMENT ARTICLE; OR

5 (IV) A CHARGE FOR THE USE OF A PROJECT THAT RECEIVED  
6 FUNDING FROM A SOURCE LISTED UNDER ITEMS (I) THROUGH (III) OF THIS  
7 PARAGRAPH.

(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS  
SUBSECTION SHALL INCLUDE:

10 (I) THE AMOUNT OF FUNDING THE NONPROFIT ENTITY  
11 RECEIVED;

**(II) A DESCRIPTION OF THE USE OF THE FUNDING; AND**

13 (III) ANY OTHER INFORMATION THE COMPTROLLER REQUIRES.

14 (C) ON OR BEFORE JANUARY 31 EACH YEAR, THE COMPTROLLER SHALL  
15 SUMMARIZE THE INFORMATION REPORTED UNDER SUBSECTION (B) OF THIS  
16 SECTION FOR THE PREVIOUS CALENDAR YEAR AND REPORT TO THE GENERAL  
17 ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,  
18 ON THE INFORMATION THE COMPTROLLER RECEIVED.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
20 1, 2026.