

SENATE BILL 547

P2, P1, Q3

6lr0601
CF HB 905

By: **Senator Charles**

Introduced and read first time: February 4, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Recipients of State and Local Government Funding – Reporting**
3 **(Buy Maryland Reporting Requirements)**

4 FOR the purpose of requiring a unit of State and local government and a person that
5 receives funding from the State operating or capital budget to report on or before a
6 certain date each year to the Comptroller certain information regarding the use of
7 the funds; requiring a certain individual or corporation that receives payments from
8 a unit of State and local government for providing goods or services to the unit to
9 include certain information on the individual's or corporation's income tax return or
10 declaration; requiring the Comptroller to consolidate and summarize certain
11 information and submit a report on or before a certain date each year to the General
12 Assembly; and generally relating to reporting requirements for recipients of State
13 and local government funding.

14 BY repealing and reenacting, without amendments,
15 Article – State Finance and Procurement
16 Section 1–101(a), (b), (d), and (e)
17 Annotated Code of Maryland
18 (2021 Replacement Volume and 2025 Supplement)

19 BY adding to
20 Article – State Finance and Procurement
21 Section 7–407
22 Annotated Code of Maryland
23 (2021 Replacement Volume and 2025 Supplement)

24 BY adding to
25 Article – Tax – General
26 Section 10–826
27 Annotated Code of Maryland
28 (2022 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

Article – State Finance and Procurement

1–101.

(a) In this Division I of this article the following words have the meanings indicated.

(b) “County” means a county of the State and, unless expressly provided otherwise, Baltimore City.

(d) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind and any partnership, firm, association, corporation, or other entity.

(e) “State” means:

(1) a state, possession, or territory of the United States;

(2) the District of Columbia; or

(3) the Commonwealth of Puerto Rico.

7–407.

(A) IN THIS SECTION, “UNIT” MEANS A UNIT OF STATE, COUNTY, OR MUNICIPAL GOVERNMENT.

(B) ON OR BEFORE OCTOBER 15 EACH YEAR, A UNIT OR A PERSON THAT RECEIVES FUNDING FROM THE STATE OPERATING OR CAPITAL BUDGET FOR THE MOST RECENTLY COMPLETED FISCAL YEAR SHALL REPORT TO THE COMPTROLLER THE FOLLOWING INFORMATION ON THE USE OF THE FUNDING:

(1) A DESCRIPTION OF THE PURPOSE FOR WHICH THE FUNDING WAS PROVIDED; AND

(2) THE NAME OF ANY ENTITY, CONTRACTOR, OR SUBCONTRACTOR THAT RECEIVES ANY OF THE FUNDING TO PERFORM WORK ON BEHALF OF THE UNIT OR PERSON, INCLUDING:

(I) THE ADDRESS OF THE CONTRACTOR AND ANY SUBCONTRACTOR THE CONTRACTOR HIRES;

(II) THE NUMBER OF EMPLOYEES EACH CONTRACTOR OR SUBCONTRACTOR EMPLOYS;

(III) THE ADDRESS WHERE THE WORK IS PERFORMED; AND

(IV) WHETHER THE CONTRACTOR OR SUBCONTRACTOR IS A CERTIFIED MINORITY BUSINESS ENTERPRISE UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE.

(C) ON OR BEFORE DECEMBER 31 EACH YEAR, THE COMPTROLLER SHALL CONSOLIDATE AND SUMMARIZE THE INFORMATION RECEIVED UNDER SUBSECTION (B) OF THIS SECTION AND § 10-826 OF THE TAX – GENERAL ARTICLE AND REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE USE OF STATE FUNDING, INCLUDING A SUMMARY BY UNIT OR PERSON THAT IDENTIFIES:

(1) THE PERCENTAGE OF OUT-OF-STATE AND IN-STATE CONTRACTORS OR SUBCONTRACTORS;

(2) THE AVERAGE SIZE, BY EMPLOYEE, OF THE CONTRACTOR OR SUBCONTRACTOR; AND

(3) THE PERCENTAGE OF CONTRACTORS OR SUBCONTRACTORS THAT ARE CERTIFIED MINORITY BUSINESS ENTERPRISES UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE.

Article – Tax – General

10-826.

(A) THIS SECTION APPLIES TO AN INDIVIDUAL OR CORPORATION THAT RECEIVES A PAYMENT FROM A UNIT OF STATE, COUNTY, OR MUNICIPAL GOVERNMENT FOR PROVIDING GOODS OR SERVICES TO THE UNIT AND IS REQUIRED TO FILE A RETURN OR DECLARATION UNDER PART II OF THIS SUBTITLE.

(B) AN INDIVIDUAL OR CORPORATION SHALL INCLUDE THE FOLLOWING INFORMATION ON THE RETURN OR DECLARATION:

(1) A DESCRIPTION OF THE GOODS OR SERVICES THE INDIVIDUAL OR CORPORATION PROVIDED;

(2) THE NUMBER OF INDIVIDUALS THAT THE INDIVIDUAL OR

1 CORPORATION EMPLOYS;

2 (3) A STATEMENT THAT THE INDIVIDUAL OR CORPORATION IS OR IS
3 NOT A CERTIFIED MINORITY BUSINESS ENTERPRISE UNDER TITLE 14, SUBTITLE 3
4 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

5 (4) THE NAME OF ANY ENTITY, CONTRACTOR, OR SUBCONTRACTOR
6 THAT THE INDIVIDUAL CONTRACTS WITH TO PROVIDE THE GOODS OR SERVICES TO
7 A UNIT OF STATE, COUNTY, OR MUNICIPAL GOVERNMENT, INCLUDING:

8 (I) THE ADDRESS OF THE CONTRACTOR AND ANY
9 SUBCONTRACTOR THE CONTRACTOR HIRES;

10 (II) THE NUMBER OF EMPLOYEES EACH CONTRACTOR OR
11 SUBCONTRACTOR EMPLOYS;

12 (III) THE ADDRESS WHERE THE WORK IS PERFORMED; AND

13 (IV) WHETHER THE CONTRACTOR OR SUBCONTRACTOR IS A
14 CERTIFIED MINORITY BUSINESS ENTERPRISE UNDER TITLE 14, SUBTITLE 3 OF THE
15 STATE FINANCE AND PROCUREMENT ARTICLE.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
17 1, 2026.