



## House Bill 1038

### *Department of Commerce – Complaint Portal and Annual Report*

MACo Position: **OPPOSE**

To: Economic Matters and  
Health and Government Operations Committees

Date: February 25, 2025

From: Karrington Anderson

The Maryland Association of Counties (MACo) **OPPOSES** HB 1038. This bill requires the Maryland Department of Commerce to create and maintain a complaint portal for reporting when governmental units such as counties take longer than 60 days to process an application for a business license, form, certificate, certification, permit, or registration. Annually, the Department would be tasked with identifying government units responsible and reporting to the Senate Budget and Tax Committee and House Ways and Means Committee.

This bill fails to account for legitimate reasons why processing a business license, permit, or certification may exceed 60 days—many of which are beyond a local government's control.

Counties work diligently to process business applications efficiently while ensuring compliance with local, state, and federal laws. However, various external factors can contribute to delays, including incomplete applications, required state or federal approvals, background checks, public hearing requirements, and applicant response times. By creating a public complaint portal without recognizing these complexities, HB 1038 risks unfairly attributing delays to local governments without proper context.

Furthermore, annual reporting on complaints without distinguishing between avoidable and unavoidable delays is concerning. This could lead to misleading conclusions about county (and state agency) performance while failing to provide a meaningful solution to actual processing challenges.

For these reasons, MACo urges an **UNFAVORABLE** report on HB 1038.