

MARYLAND DEPARTMENT OF LABOR TESTIMONY ON SENATE BILL 547

TO: Senate Budget and Taxation Committee
FROM: Maryland Department of Labor
DATE: 02/20/2026
BILL: Recipients of State and Local Government Funding - Reporting (Buy Maryland Reporting Requirements)

MDL POSITION: LETTER OF CONCERN

The Maryland Department of Labor respectfully expresses formal concern regarding the operational and fiscal impacts of Senate Bill 547. The proposed bill mandates that units of state, local, and municipal governments report annually to the Comptroller regarding entities that receive funding from the state operating or capital budget. The required report must encompass extensive details, including the purpose of the funding, the names of contractors or subcontractors, demographic information, employee counts, work locations, and whether the entity is a certified minority business enterprise.

Compliance with these requirements will impose significant administrative and fiscal burdens across multiple divisions within our Department. As an example, the Division of Workforce Development and Adult Learning manages a total of 45 grant programs utilizing a braiding of state, federal, local, and private funds. Currently, the Division is not mandated to collect and report this aggregate grant or contract information to the Comptroller as described in this bill. To accommodate the extensive data collection required for all grantees, contractors, and subgrantees, the Division would need additional staffing beyond current resources. This operational requirement translates to a direct fiscal impact of \$90,008 in Fiscal Year 2027, which will incrementally increase to \$121,011 by Fiscal Year 2031.

Other divisions within the Department will experience similar operational strains. The Office of Financial Regulation anticipates that the requirements of this bill would



LEGISLATIVE OFFICE
45 Calvert Street
Annapolis, Maryland 21401
443-401-5129

likely create a significant burden, particularly concerning the Access to Banking Venture Fund and associated fintech and depository institutions, and will most likely require additional staff.

The Maryland Department of Labor respectfully requests the Committee carefully consider the fiscal, staffing, and compliance burdens that Senate Bill 547 will place on the Department as it deliberates this legislation.

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