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**DATE:** February 25, 2026  
**BILL NO:** Senate Bill 641  
**TITLE:** State Procurement - Exceptions - Historic Preservation Services  
**COMMITTEE:** Senate Budget & Taxation Committee

### Letter of Support

#### **Description of Bill:**

Senate Bill 641 would establish procurement exceptions to certain state agencies allowing them to directly partner with nonprofit organizations, for historic preservation, archaeology and conservation projects. The bill would maintain safeguards to support accountability by requiring subcontracting and annual reporting while maximizing community engagement efforts.

#### **Background and Analysis:**

Maryland state procurement laws exist for a reason: to maintain transparency and accountability in the use of public funds. These protections are essential. However, there are times when the traditional procurement process moves more slowly than the challenges we face – especially when the work is specialized and community driven, such as historic preservation, archaeology, and conservation – and we can find efficiencies in the system that do not sacrifice the transparency so necessary for good governance.

These projects are not simply about building or specific sites, but rather about strengthening communities and honoring the history and identity of the people they serve. Nonprofit organizations are often uniquely positioned to lead this work by bringing their expertise and local knowledge to the table. These strategic collaborations with nonprofit organizations can foster long term community investment while giving state agencies the flexibility to move projects forward efficiently.

At the same time, SB 641 keeps accountability at the forefront. By requiring nonprofits to hire subcontractors and produce annual spending and outcome reports, the bill will ensure transparency while enabling more effective, aligned partnerships. This balanced approach will support DHCD's mission to strengthen Maryland's communities by allowing us to work more effectively with trusted nonprofit partners in historic preservation and community-based development, ultimately helping to preserve Maryland's history while fostering resilient, vibrant neighborhoods.

#### **DHCD Position**

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on SB 641.

