

To: The Honorable Chair and Members of the Economic Matters Committee
From: Pete Kimbis, Advisory Committee Member, Nonprofit Montgomery
Date: February 8, 2026
Bill: House Bill 483 Charitable Organizations Solicitations Act – Financial Disclosures
Position: Favorable

Esteemed Chair Valderrama and Members of the Committee,

On behalf of Nonprofit Montgomery, I am writing to express our strong support for House Bill 483, which seeks to modernize the financial reporting thresholds for charitable organizations in Maryland. Nonprofit Montgomery is an alliance of nonprofit organizations in Montgomery County, serving as a network, information resource, and advocate for the County's nonprofit sector.

HB483 is a critical and common sense step. Nonprofits in the Great State of Maryland employ 280,000 workers—excluding government workers, that's 13% of Maryland's workers.¹ 24,475 of Maryland nonprofits operate with revenue under \$1 million, that's 91.6% of nonprofit organizations that report revenue.²

Impact in Montgomery County

To provide context for who this legislation will affect in Montgomery County based on respondent survey data of 34 organizations collected in Q4 2025

- 55% operate under \$1 million in annual revenue.
- 74% have provided community services for >15 yrs.
- Near 2/3 report declines in corporate and foundation giving and 74% report declines in individual giving.
- 1/3 report increased demand for services

These organizations provide essential services including food security, housing support, and health services and they are under immense strain. HB483 offers a simple, effective way to alleviate one of their significant administrative hurdles.

Audit reporting thresholds were last updated in 2016. Since then, the economic landscape for nonprofits has intensified due to inflation and downward pressures on revenue from individual and institutional donors. HB483 also aligns Maryland with the federal Office of Management and Budget (OMB) decision to raise Single Audit thresholds from \$750,000 to \$1,000,000 for FY24 and after.³

HB483 allows smaller and mid-sized nonprofits in Maryland communities to direct needed limited funds towards their true purpose to serve Marylanders in need via missions that are

¹ Chelsea L. Newhouse, Maryland Nonprofits by the Numbers 6 fig.5 (Md. Nonprofits & Johns Hopkins Ctr. for Civ. Soc'y Stud., Nonprofit Econ. Data Bull. No. 49, 2021).

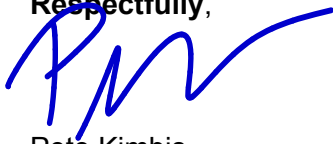
² Id. at 6 fig.5.

³ Guidance for Federal Financial Assistance, 89 Fed. Reg. 30,046, 30,193 (Apr. 22, 2024) (to be codified at 2 C.F.R. § 200.501).

charitable, scientific, religious, public safety, literary, educational, or foster sport.

We urge a favorable report on HB483. This bill is a common-sense measure that accounts for inflation, mirrors federal efficiency standards, and, most importantly, empowers Maryland's nonprofits to focus their resources on the people they serve.

Respectfully,

A handwritten signature in blue ink, appearing to be 'PK' with a flourish extending to the right.

Pete Kimbis

Member, Nonprofit Montgomery Advisory Committee