



Letter of Support with Amendments

House Bill 1422 – State Personnel – State Fiscal Leadership Capacity Government, Labor, and Elections Committee March 6, 2026

What this bill does: HB1422 establishes new standards and requirements for state agency Chief Financial Officers (CFOs), including required educational and professional qualifications. HB1422 also establishes new reporting requirements for CFOs.

Why this bill is important: As Comptroller of Maryland, one of my most important duties is to serve as the state's accountant, managing the finances of our state agencies to ensure fiscal integrity. To carry out these duties, my office's General Accounting Division (GAD) must work closely with each agency's CFO, and we rely on these CFOs to ensure accurate financial management and accounting activities and to enhance the reliability of statewide financial reporting.

HB1422 seeks to improve the quality and competency of state agency CFOs. Developing standards for CFOs is an important step toward professionalizing and strengthening Maryland's fiscal leadership infrastructure and aligns with long-standing priorities of my office. We launched the state's first Accounting Academy last year to train and upskill financial staff at agencies. Developing a more stable and capable financial management workforce is essential to producing accurate statewide financial statements, managing federal funds responsibly, and reducing the risks associated with inadequate financial oversight. Maryland will benefit from having a strong class of CFO at every agency.

Suggestions to strengthen the bill: While I support HB1422, I believe there are ways to further strengthen the bill by establishing a collaborative relationship between my office and the Department of Budget and Management (DBM) for setting standards and by simplifying the agency reporting requirements.

(1) Instead of outlining specific standards and requirements that may not be appropriate or practical for every agency, I recommend DBM and the Office of the Comptroller collaborate on a process that strengthens our fiscal leadership without removing the autonomy of the agencies or the Office of Personnel Services and Benefits (OPSB). To accomplish this, HB1422 should be amended to require DBM and the Comptroller, in consultation with state agencies and OPSB, to jointly develop:



- statewide CFO standards consistent with national professionally recognized best practices, and
- a competency framework and recruitment strategy to strengthen the financial management pipeline.

I believe this approach will preserve HB1422's intent while allowing Maryland's central fiscal agencies to design a model that is both consistent with professional standards and flexible enough to meet the operational needs of our many units of government.

(2) I support DBM's amendments to simplify the reporting requirements under State Personnel and Pension Article § 2-206(f). These amendments clarify the existing process and remove redundant language without limiting GAD's ability to administer the closeout process or prepare the Annual Comprehensive Financial Report (ACFR).

As evidenced by our work on the ACFR, our creation of the Accounting Academy, and our leadership to build a new financial management IT system, I take my role as Maryland's fiscal steward very seriously, and I believe it is important to strengthen our oversight and improve transparency and accountability. Therefore, **I urge a favorable report on HB1422, with the proposed amendments.**

Thank you for your consideration. If you have any questions, please contact Matthew Dudzic, Director of State Affairs, at MDudzic@marylandtaxes.gov.