
February 26, 2026

The Honorable Jheanelle Wilkins
Chair, Ways & Means Committee
130 Taylor House Office Building
Annapolis, MD 21401

RE: Letter of Concern - House Bill 905– Recipients of State and Local Government Funding – Reporting (Buy Maryland Reporting Requirements)

Dear Chair Wilkins and Committee Members:

The Maryland Department of Transportation takes no position on House Bill 905 but respectfully offers the following concerns for the Committee’s consideration.

HB 905 requires units of State government and a person that receives funding from the State operating or capital budget to report to the Comptroller annually on information regarding the purpose of the funds; the name of the entity receiving the funds; and that entity’s address (and their subcontractor’s addresses), number of employees, work location(s) and Minority Business Enterprise (MBE) status.

The State Highway Administration (SHA) understands and supports promoting Maryland-based businesses and improving transparency in the use of public funds. However, HB 905 would add a significant administrative burden because of the complexity of SHA’s financial systems and the high volume of SHA contracts state-wide. Although the reporting frequency is only once a year, data would need to be gathered continuously on contracts used or ending throughout each fiscal year. While some of the bill’s required information is collected during the bidding process, such as MBE status, it is not uniform across contracts, and many of SHA’s contractors are paid through invoices, making the bill’s data collection effort difficult.

Additionally, HB 905 appears to capture every transaction where SHA spends operating monies, including small procurements and corporate purchasing card transactions. It is also unclear if the bill language for the new report in the proposed § 7-407 would apply to contracts with 100 percent State funds or also to SHA federal contracts. Either way, SHA contract offices do not have the capability to absorb these additional functions with existing resources and within the timeframe prescribed in the bill.

Finally, it should be noted that any new requirements can be a disincentive for firms to compete for Maryland contracts. This proposal requires additional time and effort for vendors to complete more paperwork just to bid, and awardees would need to submit this information as part of their state tax returns. These requirements deviate from the Governor’s initiative to make Maryland more business-friendly by cutting red tape, particularly for small, minority, women and veteran-owned businesses.

While SHA is committed to supporting transparency in the use of public funds, the reporting requirements for agencies of SHA’s scale and complexity would require additional funding not currently allocated. The SHA is unable to divert existing staff to this effort while meeting its commitments to building and maintaining a safe and efficient transportation network for all Marylanders.

The Honorable Jheanelle Wilkins
Page Two

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 905.

Respectfully submitted,

April Moeller
Director
Office of Government Affairs
Maryland State Highway Administration
410-210-5780

Matthew Mickler
Director
Office of Government Affairs
Maryland Department of Transportation
410-865-1090