



Delegate Shane Pendergrass, Chair Health and Government Operations Committee 241 House Office Building Annapolis, MD 21401 **FAVORABLE** 

February 11, 2021

RE: HB 327 - FAVORABLE - State Finance and Procurement - Retainage Proceeds

Dear Chairman Pendergrass and Committee Member:

The Maryland Transportation Builders and Materials Association ("MTBMA") and the Maryland Asphalt Association ("MAA") collectively represent tens of thousands of Marylanders who operate in the areas of transportation construction, production and engineering. Together, for nearly 100 years these organizations have served as the voice of the transportation construction industry. The mission of both MTBMA and MAA is to encourage, develop, and protect the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry, and also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

This bill would greatly benefit our industry by providing a reliable and secure process of payment for our members, allowing us to more effectively serve the State of Maryland. Under current law, our contractors and subcontractors often take on burdensome costs that are harmful to their functioning as a business, and adding the economic effects of COVID-19 on top of that has created a difficult environment to operate and flourish in. By offering timely assurance of payments to our contractors and subcontractors, we are better able to support our State's countless construction and transportation projects that are essential to our infrastructure network as a whole.

We thank you for your time and consideration.

Sincerely,

Michael Sakata

President & CEO, MTBMA

Marshall Klinefelter

Marshall Klinefelter

President, MAA