

CHAIRMAN:
Jeff Graf
VICE CHAIRMAN
David Slaughter

MARYLAND ASPHALT ASSOCIATION



TREASURER:
Paul Bramble
SECRETARY:
Curtis Hall
PRESIDENT:
Tim Smith

February 20, 2024

Delegate Peña-Melnyk, Chair
Health and Government Operations Committee
Room 241 House Office Building
Annapolis, MD 21401

RE: HB 852 – UNFAVORABLE – State Procurement – Leases and Construction Contracts – Performance Suspension Pending Audit

Dear Chair Peña-Melnyk and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms, and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 852 would require that all units within the Executive Branch suspend any construction contracts that under investigation by the Department of Legislative Audits.

MAA opposes this legislation, as it raises significant concerns regarding its potential impact on ongoing infrastructure projects. While we understand the importance of ensuring transparency and accountability in state procurement processes, suspending projects at the onset of an investigation could lead to substantial delays, hindering the progress of critical infrastructure projects. We fear that this bill could be susceptible to abuse and anti-competitive tactics. The threat of suspension could be weaponized by competitors to disrupt projects and gain unfair advantages in the procurement process. This not only harms the reputation of legitimate contractors but also undermines the integrity of the entire procurement system.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on HB 852.

Sincerely,

Tim E. Smith, P.E.
President
Maryland Asphalt Association