



February 16, 2022

Senator Guy Guzzone, Chair
Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, MD 21401

RE: SB 542 – FAVORABLE – State Finance and Procurement – Grants – Prompt Payment Requirement

Dear Chair Guzzone and Members of the Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects 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 advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

Senate Bill 542 would require the State to make payment under a grant agreement within 30 days after payment is due under the grant agreement or the day an invoice is received, after which interest shall accrue. In a similar vein to other pieces of legislation this year that aim to correct a longstanding problem with prompt payments, we applaud the sponsor for this bill. Our members struggle with this frequently in our industry and hope codifying a more expedient payment schedule will ensure contractors are paid on time.

We appreciate you taking the time to address this issue and we respectfully urge a favorable report on Senate Bill 542.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association