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MARYLAND ASPHALT ASSOCIATION



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February 15, 2022

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

RE: House Bill 325 – FAVORABLE – State and Local Procurement – Payment Practices

Dear Chair Pendergrass and Members of the Committee:

The Maryland Asphalt Association is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. We proactively work 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.

This bill would require State agencies to make payments under procurement contracts within 15 days after payment becomes due per the contract or after the invoice is received, and require interest accrual to start after the 15 days. We applaud the sponsor for introducing this legislation again. We 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 House Bill 325.

Thank you,

Marshall Klinefelter
President
Maryland Asphalt Association