

Air Conditioning * Refrigeration * Heating Interstate Service Company, Inc.

4101 Utah Avenue Brentwood, Maryland 20722 Office (301) 864-2121 * Fax (301) 864-1282

2/17/2023

Attn: Maryland Senate Finance Committee Chair Melony Griffith & Members of the Senate Finance Committee

Re: SUPPORT Senate Bill 453 – State and Private Construction Contracts- Prompt Payment Requirements

Chair Griffiths and Members of the Senate Finance Committee:

I'm writing to you today to express strong Support of Senate Bill 453. As the owner/principal of INTERSTATE SERVICE COMPANY, INC., Senate Bill 453 ensures subcontractor protection and prompt payment from Owner and General Contractors after the completion of contracted work.

We are a family-owned and operated small business with 37 employees, proudly located in Prince George's County and serving the Maryland area since 1972. We have been keeping businesses and their environment comfortable by provide commercial mechanical HVACR (heating, ventilation, air conditioning, refrigeration services) for over 50 years to our community as a Union Signatory Contractor of Local Union 602 and MCAMW Member.

As supply chain challenges continue to plague our industry, managing our cash flow as a subcontractor has become increasingly difficult, particularly when we are not given protection to ensure prompt payment from Owners/General Contractors. Our vendors expect supplies, materials & equipment to be paid for within 0-30 day terms, Office/shop rent is required to be paid monthly as well as keeping up with all Payroll/Fringe Benefit Obligations and other overhead costs on a monthly basis. Passing of this Bill 453 will help relieve the burdens that our company faces due to delayed payments from Owners/General Contractors....for these reasons we support Senate Bill 453 and ask for a favorable report.

Sincerely,

Heather D'Jangali, CFO Interstate Service Company, Inc.