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G. Marshall Klinefelter

March 1, 2023

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

RE: House Bill 949 - FAVORABLE - State Finance and Procurement - Retention Proceeds

Dear Chair Pena-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.

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 appreciate you taking the time to consider our request for an FAVORABLE report on House Bill 949.

Sincerely,

Marshall Klinefelter

President

Maryland Asphalt Association