



March 1, 2023

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

RE: House Bill 1154– FAVORABLE – State Procurement – Payment Practices

Dear Chair Pena-Melnyk 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.

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, instead to the current time frame of 45 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 consider our request for a FAVORABLE report on House Bill 1154.

Thank you,

A handwritten signature in blue ink, appearing to read "Michael Sakata", is written over a faint, light blue circular watermark or seal.

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association