



Wes Moore, Governor  
Aruna Miller, Lt. Governor  
Josh Kurtz, Acting Secretary  
Allan Fisher, Deputy Secretary

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February 22, 2023

**BILL NUMBER: House Bill 328 – First Reader**

**SHORT TITLE: State Finance and Procurement – Grants – Prompt Payment Requirement**

**DEPARTMENT’S POSITION: LETTER OF INFORMATION**

**EXPLANATION OF DEPARTMENT’S POSITION**

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The department processes grant payments upon successful verification of grant requirements. This may involve site visits or other prolonged communication with the grant recipient in order to ensure grant requirements are met before payments are processed. Once payments are processed by DNR, they then go to the Comptroller’s Office for final processing. The department has no control over the amount of time the Comptroller might require. There is not an identified fund source to pay interest should the timelines in the bill not be met.

**BACKGROUND INFORMATION**

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The Department provides grants to various organizations and local governments for purposes such as recreation, land conservation, and environmental stabilization and restoration. The Department enters into grant agreements that lay out requirements to meet in order to receive payments of such grants.

**BILL EXPLANATION**

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This bill would require payment of grants within 30 days of the grant agreement due date, or later upon submission of a proper invoice. If payment is not made by this timeline, interest would be due.

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