



*The Voice of Merit Construction*

**Mike Henderson**

*President  
Greater Baltimore Chapter  
mhenderson@abcbaltimore.org*

**Chris Garvey**

*President & CEO  
Chesapeake Shores Chapter  
cgarvey@abc-chesapeake.org*

**Dan Bond CAE**

*President & CEO  
Metro Washington Chapter  
dbond@abcmetrowashington.org*

**Amos McCoy**

*President & CEO  
Cumberland Valley Chapter  
amos@abccvc.com*

**Tricia Baldwin**

*Chairman  
Joint Legislative Committee  
tbaldwin@reliablecontracting.com*

**Marcus Jackson**

*Director of Government Affairs  
Metro Washington Chapter  
mjackson@abcmetrowashington.org*

**Martin "MJ" Kraska**

*Government Affairs Director  
Chesapeake Shores Chapter  
mkraska@abc-chesapeake.org*

Additional representation by:  
**Harris Jones & Malone, LLC**

6901 Muirkirk Meadows Drive  
Suite F  
Beltsville, MD 20705  
(T) (301) 595-9711  
(F) (301) 595-9718

February 27, 2024

To: House Health & Government Operations Committee  
From: Associated Builders & Contractors  
RE: HB 994 - State Finance and Procurement - Retention Proceeds  
Position: Favorable With Amendments

Associated Builders and Contractors (ABC) represent more than 1500 construction and construction-related companies through its four Maryland chapters. Our members believe in the tenets of free enterprise, investing in their workforce and giving back to the communities in which they live, work and play.

House Bill 994 requires that undisputed retention proceeds on State construction contracts that are retained by a state agency, or a contractor be paid within 90 days after the substantial completion of a project, as defined by the applicable contract or subcontract.

ABC supports the timely payment of retention proceeds as it is essential for the success of construction projects, as it allows contractors and subcontractors to meet their financial obligations, pay their employees promptly, and invest in future projects. Unfortunately, delayed payment of retention proceeds can create significant hardships for construction firms.

With that said, we would like to offer the following amendment(s):

AMENDMENT NO. 1:

On page 1, in lines 3 and 4, strike "or a certain contractor".

AMENDMENT NO. 2:

On page 2, in lines 21 and 22, strike "**OR A CONTRACTOR**"; and in line 24, strike "**OR SUBCONTRACT**".

ABC appreciates your consideration and, for these reasons, respectfully requests a **favorable with amendments** report on House Bill 994.

*Martin "MJ" Kraska  
Government Affairs Director  
Chesapeake Shores Chapter*