

SENATE BILL 250

P2, L6
SB 336/21 – EHE

2lr0715
CF 2lr0714

By: **Senator Hayes**

Introduced and read first time: January 14, 2022

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **State and Local Procurement – Payment Practices**

3 FOR the purpose of requiring each county and municipality to adopt a certain policy;
4 altering a State policy regarding the payment of certain funds after receipt of a
5 proper invoice; reducing the number of days following receipt of an invoice after
6 which the State owes interest on unpaid amounts and interest begins to accrue on
7 unpaid amounts; repealing a requirement that a contractor submit an invoice within
8 a certain amount of time in order to receive interest payments; and generally relating
9 to the payment practices of the State and local governments for amounts owed under
10 procurement contracts.

11 BY adding to
12 Article – Local Government
13 Section 1–404
14 Annotated Code of Maryland
15 (2013 Volume and 2021 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – State Finance and Procurement
18 Section 15–103 through 15–105
19 Annotated Code of Maryland
20 (2021 Replacement Volume)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
22 That the Laws of Maryland read as follows:

23 **Article – Local Government**

24 **1–404.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **[(4)] (3)** on an amount that represents unpaid interest.

2 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
3 October 1, 2022.