



Pioneer Civil Engineering Services, Inc.
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**FAVORABLE Support of SB 933/HB 747:
State and Local Procurement – Payment Practices**

Dear Chairman and Members of the Education, Health and Environmental Affairs Committee:

Senate Bill 933 shortens the time the State has to make a payment under a procurement contract or after receipt of a proper invoice in 15 days rather than the current policy of 30 days.

As a certified MBE/DBE/SBE/SBR business owner in Maryland, I firsthand know the immediate impact, the monumental shift and the significance this change will make to validity of the small, minority and disadvantaged business community on a whole.

Altering the current payment schedule to 15 days rather than the current 30 days would obviously greatly impact and greatly benefit small businesses. SB 933 completely changes the landscape and helps strengthened the infrastructure of all small businesses alike particularly a small minority business such as mines. SB 933 also follows in the footsteps of the federal government in assuring our business community stays vital by paying its contractors in a timely manner for the goods and services they provide. This legislation will create a fair business practice for Small and Minority Enterprises engaged in procurement contracts with the State. By shortening the time period for payment, SBEs and MBEs will be able to ascertain necessary funds in a reasonable period and request interest on unpaid amounts when applicable. Minority Businesses, particularly micro disadvantaged businesses will receive a huge bump, better leverage and a heavy burden lifted with the passage of this bill. It just makes great business sense as Minority Businesses need the assurance that our State governing body and its governing agencies is committed to our participation, our inclusion and our success in growing, creating jobs and building our great State infrastructure and with that commitment takes the necessary steps and actions needed to restore confidence and be the driving force to many Minority Businesses success stories. Please note that for some of the Design Build, Progressive Design Build, and P3 Projects for MDOT, the time to get invoice paid is lot longer than the regular Architectural & Engineering (A&E) Contracts since MBE/DBE companies are third or fourth tier subconsultants and have to wait for everyone above them to get paid.

Senate Bill 933 would create growth and expansion, enabling my Minority Business Enterprise to thrive in Maryland.

Thus, I urge a favorable report on Senate Bill 933/House Bill 747.

Respectfully,

A handwritten signature in blue ink that reads "Smurkute".

**Shekhar Murkute, PE
President**

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