



MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:

Favorable

Senate Bill 250

State and Local Procurement - Payment Practices

Senate Budget and Taxation

Wednesday, February 2, 2022

Dear Chairman Guzzone and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

Timely payment and access to capital are critically important for Maryland's job creators as they look to maintain, grow and expand. In fact, unexpected delays in payments can have a significant impact on businesses that have little or no cash reserves. Additionally, many small business owners have reported that late payments threaten the survival of their operations and, if they were paid faster, they would be able to hire more employees.

Senate Bill 250 would alter a State policy 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. This would ensure that companies doing business with the state receive timely payment and have the capital they need to maintain stable and predictable operations.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **Favorable Report** on Senate Bill 250.

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