



**Written Testimony in Support of Senate Bill 112:  
State Finance and Procurement-Grants-Prompt Payment Requirement  
Budget and Taxation Committee, January 19, 2023 –FAVORABLE**

**Susie Sinclair-Smith, CEO, Montgomery County Coalition for the Homeless**

Thank you for giving me the opportunity to testify. My name is Susie Sinclair-Smith and I am the CEO for Montgomery County Coalition for the Homeless. As the largest nonprofit providing homeless services, we understand the importance of advocacy on enabling nonprofits to serve the community and accomplish key missions like ending homelessness. We stand with many other nonprofits in supporting this legislation.

Montgomery County Coalition for the Homeless (MCCH) leads the effort to end homelessness in our community by creating housing options, providing supportive services, and facilitating collaboration, education and advocacy based on the belief that every person is entitled to the dignity of a home. In our work alongside other nonprofit organizations, MCCH has experienced and seen examples of nonprofits struggling to start programs while contracts were stuck in various stages of procurement. Most nonprofits don't have the financial reserves to float a major project with their own funds while waiting for their money to come through. The burden falls especially heavily on the organizations that most need this support—small community-based organizations, many of which are led by people of color.

Current “prompt pay laws” and regulations that set standards for review of invoices don't apply to the reimbursable grants agreements that most nonprofits offering health, education, or social services hold with the state. Although the law isn't perfect, it would be a big improvement for service providers who would know that agencies are obliged to respond in a timely manner or face penalties. We ask that you take steps to ensure that nonprofits serving Maryland communities on behalf of the state are entitled to the same regulations that apply to business contracts with the state.

MCCH supports Senate Bill 112 and we urge you to give it a favorable report.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Susie Sinclair-Smith".

Susie Sinclair-Smith  
CEO