



January 18, 2023

Maryland General Assembly
Senator Guy Guzzone
Chair, Budget and Taxation Committee

RE: SB0112 State Finance and Procurement - Grants - Prompt Payment Requirement

Good Day Chair Guzzone and Committee Members.

My name is Toni Torsch, I am the Director of the Daniel Carl Torsch Foundation and in favor of SB0112.

We are the recipient of two grants from the Maryland Department of Health (MDH) for Fiscal Year 2023. Allow me to first be clear that our experience with the direct funding staff at MDH Office of Harm Reduction and the OCCC has been excellent.

However, our experience with receiving reimbursement for submitted invoices has been horrible. For instance, we submitted our 1st quarter invoice for July, August and September in October, 2022 and received reimbursements on December 5th and 13th, 2022 which was almost at the end of the 2nd quarter. We were owed over \$100,000. While this may not seem like a large amount, we are a very small nonprofit and it was practically our entire reserves. Although this practice is not new, it has increasingly gotten worse.

Two days prior to receiving our reimbursement, we applied for a line of credit with M&T Bank so we could keep our doors open and staff of five paid. We serve hundreds of community members and provide thousands of services to the most vulnerable of populations, and we want to continue without the worry of having to make choices to cut services or wages because the procurement office within MDH and at the Maryland Department of Budget and Management has taken exceedingly long periods of time to approve grants and expenditures.

Thank you for your time and consideration. At this time, I respectfully request a favorable vote on this bill.

Mission: to provide assistance for substance abuse treatment and sober living; promote and provide overdose prevention programs.