

## COUNCIL OF THE DISTRICT OF COLUMBIA 1350 PENNSYLVANIA AVENUE, N.W. WASHINGTON, D.C. 20004

Office: (202) 724-8032 Fax: (202) 724-8085

January 24, 2023

## STATEMENT UPON INTRODUCTION CONTRACTOR PAYMENT CONTROL AMENDMENT ACT OF 2023

Today I am introducing the *Contractor Payment Control Amendment Act of 2023* to make clear in the law that the Chief Financial Officer, and others, cannot approve payments for goods or services under contracts that have not been approved by the Council. Longstanding law in the District requires that all contracts exceeding \$1 million for goods or services must be submitted for approval by the Council.

The genesis for the Contractor Payment Control Amendment Act of 2023 are two food service contracts for the DC Public Schools that were only recently submitted to the Council. They were both executed as letter contracts in June but were not submitted to the Council for six months. In fact, they were submitted so late in Council Period 24 that they had to be reintroduced last week.

Even though neither contract had been submitted to the Council for approval, DCPS has been paying the vendors – a total of \$6.265 million as of December 10<sup>th</sup> (the contracts were submitted after then).

The DCPS food service contracts have been controversial in the past. Indeed, parents complain to the Council about the quality of meals in DC Public Schools. But when the contracts are withheld from the Council until halfway through the school year, parents and policymakers are denied meaningful opportunity to comment or seek improvement.

Current law states that no agency director, agency fiscal officer, or other employee may approve disbursements without appropriate authorization. That would include Council approval of the contracts. But presumably the DCPS Chancellor, the DCPS fiscal officer, and the city's Chief Financial Officer don't agree, so the *Contractor Payment Control Amendment Act of 2023* will clarify that the role of the Council must be respected.

The Contractor Payment Control Amendment Act of 2023 should make it harder for Executive agencies to disregard the Council and disrespect parents.



Chairman Phil Mendelson A BILL IN THE COUNCIL OF THE DISTRICT OF COLUMBIA To amend section 47-355.02 of the District of Columbia Official Code to prohibit payments in excess of \$1 million to vendors under a contract that has not yet been approved by the Council. BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Contractor Payment Control Amendment Act of 2023". Sec. 2. Section 47-355.02 of the District of Columbia Official Code is amended by adding a new paragraph (3A) to read as follows: "(3A) Approve any disbursement of funds pursuant to a contract that exceed an aggregate amount of \$1 million, unless such contract has been approved by the Council pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51);" Sec. 3. Fiscal impact statement. The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a). Sec. 4. Effective date. This act shall take effect following approval by the Mayor (or in the event of veto by the

- 35 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
- provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
- 37 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(1)), and publication in the District of
- 38 Columbia Register.