Government of the District of Columbia
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO:	**The Honorable Vincent C. Gray** **Chairman, Council of the District of Columbia**
FROM:	**Natwar M. Gandhi** **Chief Financial Officer**
DATE:	**October 7, 2010**
SUBJECT:	**Fiscal Impact Statement – "Settlement Payment Integrity Act of 2010"**
REFERENCE:	**Bill Number 18-889 – Draft Committee Print**

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend current law[1] to prohibit the Office of the Chief Financial Officer, the District of Columbia Housing Authority, or any other District agency or authority from approving, initiating, transferring, or disbursing any payment or settlement related to a disapproved contract while the details of the disapproved contract were the subject of an active investigation[2] until 90 days following the completion of the investigation; and to allow the Council to authorize, by act approved by two-thirds of the members present and voting, payment of a settlement within the 90 days following the completion of an investigation.

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation. Prohibiting payment or a settlement related to a disapproved contract that is subject to an active investigation would not have a fiscal impact.

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[1] Section 1 of An Act Authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia, approved February 11, 1929 (45 Stat. 1160; D.C. Official Code § 2-402),
[2] By the Council, the Office of the District of Columbia Auditor, or the Office of the Inspector General.