

Testimony of Tom Speaker to the New York City Council Technology Committee on Int. No. 1980 of 2020 (Torres)

October 22, 2020

Thank you for the opportunity to submit written testimony on Int. No. 1980 of 2020.

This bill would establish a special inspector to examine contracts entered into in response to the COVID-19 pandemic. Within 30 days of the bill's effective date and continuing until the law expires, the inspector would report the contracts that have been reviewed in an online public database and notify contracting agencies on an ongoing basis of any deficiencies found, as well as potential remedies.

Reinvent Albany thanks Councilmember Torres and agrees with him that New York City should take extra steps to ensure the integrity of city contracts made in haste and under pressure during the COVID emergency. However, we wonder if instead of creating a new special inspector within the executive branch – which controls the agencies and authorities issuing the contracts – it would be more effective to have the City Council formally ask the independently elected City Comptroller to comprehensively review COVID-19 emergency contracts.

The Comptroller's office has extensive auditing experience and is already equipped with the necessary tools for inspecting emergency contracts. If the Comptroller conducted a review, there would be no need to appoint a new inspector or await the law's enactment, meaning that New Yorkers would be able to find out about the contracts much more quickly. One potential benefit of having a special inspector conduct an audit is the Department of Investigation's prosecutorial powers, which the Comptroller does not have. But the Comptroller could still easily refer cases to either local District Attorneys or the federal government, which could then bring charges. Therefore, we believe that the best approach is to request that the Comptroller's office review the contracts.

A Comptroller audit could also negate the need for a new database. The Comptroller's office runs the contract portal Checkbook NYC, which already features much of the information being requested. Placing the Comptroller's findings in Checkbook NYC would prevent the City from having to create a new database, a process that would almost certainly result in further delays.

Beyond legislation, the City's COVID-19 contracts also present an opportunity for the Council, which can conduct oversight hearings and use its subpoena powers to investigate contracts of particular concern. This session's hearings on the MTA and Amazon HQ2 are two examples of cases where those powers have been put to good use. There is still more than a year left in the Council's current session, and we encourage Councilmembers to use their remaining time to embrace their oversight role and begin investigations.

Thank you for the opportunity to testify. If you have any questions, please reach out to Tom Speaker at tom@reinventalbany.org.