Legislation Text

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Authorizing City Council's Committee on Commerce and Economic Development to hold hearings to examine current invoicing and disbursement procedures and policies in City procurement and contracting, so as to determine measures that may be required to implement and ensure best practices and standards for prompt payment.

WHEREAS, The timely, unobstructed flow of dollars and resources is the fuel and lifeblood of government procurement and contracting activities and is in the best interest of all involved parties as well as the citizens and communities who benefit from their successful completion; and,

WHEREAS, Prompt payment practices and standards are designed to prohibit a "payer" from utilizing "slow pay" or "no pay" tactics and strategies to gain unfair leverage over any party entitled to or requesting compensation, and prevent any party from reaping unfair or illicit profits from such behavior; and,

WHEREAS, Those who are victimized most frequently and severely by the abuse and/or absence of prompt payment provisions are small, emerging and financially or socially disadvantaged firms and their employees who are struggling to survive and realize modest economic growth; and,

WHEREAS, Prompt payment policies and principles are critical to improving procurement and contracting industry disbursement transactions which, in turn, increase chances that the timeliness and quality of contractor or vendor performance will also improve; and,

WHEREAS, It is essential that any prompt payment policy or provision be compliant, consistent and compatible with existing or applicable state and federal statutes currently governing timely, fair and appropriate invoicing and disbursement procedures in procurement and contracting; and,

WHEREAS, This process is necessary to insure that City government is doing its best to facilitate and enforce greater compliance and accountability regarding on time and fair payment obligations in procurement and contracting - because payment delayed is payment denied. Now therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the Committee on Commerce and Economic Development is authorized to hold hearings to examine current invoicing and disbursement procedures and policies in City procurement and contracting, so as to determine measures that may be required to implement and ensure best practices and standards for prompt payment.