

COUNCIL OF THE DISTRICT OF COLUMBIA

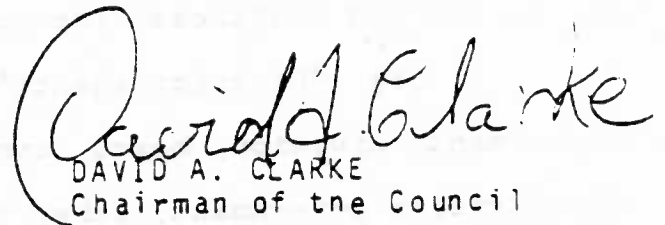
NOTICE

D.C. LAW 5-164

"District of Columbia Government Quick Payment Act of 1984".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 5-120 on first and second readings, December 4, 1984, and December 18, 1984, respectively. Following the signature of the Mayor on January 11, 1985, this legislation was assigned Act No. 5-229, published in the February 1, 1985, edition of the D.C. Register, (Vol. 32 page 555) and transmitted to Congress on January 23, 1985 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 5-164, effective March 15, 1985.

  
DAVID A. CLARKE  
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

January	23,24,25,28,29,30,31
February	1,4,5,6,7,19,20,21,22,25,26,27,28
March	1,4,5,6,7,8,11,12,13,14

D.C. ACT 5 - 2 2 9

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JAN 1 1 1985

To require the District of Columbia government to make timely payments to its suppliers; and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "District of Columbia Government Quick Payment Act of 1984".

CODIFICATION  
New Subchapter  
IV of Chapter  
of title 1

Sec. 2. For the purposes of this act, the term:

New,  
D.C. Code,  
sec. 1-1171  
(1985 supp.)

(1) "Business concern" means any person engaged in a trade or business and nonprofit entities operating as contractors.

(2) "Designated payment office" means the place named in the contract for forwarding the invoice for payment or, in certain instances, for approval.

(3) "District agency" means any office, department, division, board, commission, or other agency of the District government, other than an independent agency, required by law or by the Mayor or the Council to administer any law or any rule adopted under the authority of a law. For the purposes of this definition, the term "independent agency" means any agency of government not subject to the administrative control of the Mayor and includes, but is not limited to, the Superior Court of the District of Columbia,

District of Columbia Court of Appeals, Council of the District of Columbia, Board of Elections and Ethics, Armory Board, Zoning Commission, Convention Center Board of Directors, District of Columbia Board of Education, and Public Service Commission.

(4) "Proper invoice" means an invoice which contains or is accompanied by substantiating documentation (A) the Mayor may require by regulation, and (B) the District agency involved may require by regulation or contract.

Sec. 3. (a)(1) In accordance with rules and regulations issued by the Mayor of the District of Columbia ("Mayor"), each agency of the District of Columbia government ("District"), under the direct control of the Mayor, which acquires property or services from a business concern but which does not make payment for each complete delivered item of property or service by the required payment date shall pay an interest penalty to the business concern in accordance with this section on the amount of the payment which is due.

New,  
D.C. Code,  
sec. 1-1172  
(1985 supp.)

(2) Each rule or regulation issued pursuant to paragraph (1) shall:

(A) specify that the required payment date shall be:

(i) the date on which payment is due under the terms of the contract for the provision of the property or service; or

(ii) 30 calendar days, excluding legal

holidays, after receipt of a proper invoice for the amount of the payment due, if a specific date on which payment is due is not established by contract;

(B)(i) specify, in the case of any acquisition of meat or of a meat food product, a required payment date which is not later than 7 calendar days, excluding legal holidays, after the date of delivery of the meat or meat food product; and

(ii) specify, in the case of any acquisition of a perishable agricultural commodity, a required payment date which is not later than 10 calendar days, excluding legal holidays, after the date of delivery of the perishable agricultural commodity pursuant to the act;

(C) specify separate required payment dates for contracts under which property or services are provided in a series of partial executions or deliveries, to the extent that the contract provides for separate payment for partial execution or delivery; and

(D) require that, within 15 days after the date on which any invoice is received, District agencies notify the business concern in writing of any defect in the invoice or delivered goods, property or services or impropriety of any kind which would prevent the running of the time period specified in subparagraph (A)(ii).

(b)(1) Interest penalties on amounts due to a business concern under this act shall automatically be paid to the business concern for the period beginning on the day after

the required payment date and ending on the date on which payment of the amount due is made, except that no interest penalty shall be paid if payment for the complete delivered item of property or service concerned is made on or before (A) the 3rd day after the required payment date, in the case of meat or a meat food product, described in subsection (a)(2)(B)(i); (B) the 5th day after the required payment date, in the case of an agricultural commodity, described in subsection (a)(2)(B)(ii); or (C) the 15th day after the required payment date in the case of any other item. Interest, computed at a rate of not less than 1 percent, shall be determined by the Mayor by regulation.

(2) Any amount of an interest penalty which remains unpaid at the end of any 30-day period shall be added to the principal amount of the debt and thereafter interest penalties shall accrue on the added amount.

(c) This section does not authorize the appropriation of additional funds for the payment of interest penalties required by this section. A District agency shall pay any interest penalty required by this section out of funds made available for the administration or operation of the program for which the penalty was incurred.

Sec. 4.(a) If a business concern offers a District agency a discount from the amount otherwise due under a contract for property or services in exchange for payment within a specified period of time, the District agency may make payment in an amount equal to the discounted price only if payment is made within the specified period of time.

New,  
D.C. Code,  
sec. 1-1173  
(1985 supp.)

(b) Each District agency which violates subsection (a) shall pay an interest penalty on any amount which remains unpaid in violation of subsection (a). The interest penalty shall accrue on the unpaid amount in accordance with the regulations issued pursuant to section 3, except that the required payment date with respect to the unpaid amount shall be the last day of the specified period of time described in subsection (a).

Sec. 5. (a)(1) Claims for interest penalties which a District agency has failed to pay in accordance with the requirements of section 3 or 4 of this act may be filed with the Contract Appeals Board.

New,  
D.C. Code,  
sec. 1-1174  
(1985 supp.)

(2) Interest penalties under this act shall not continue to accrue (A) after the filing of a claim for the penalties with the Contract Appeals Board or (B) for more than 1 year.

(b) Except as provided in section 4 with respect to disputes concerning discounts, this act shall not be construed to require interest penalties on payments which are not made by the required payment date by reason of a dispute between a District agency and a business concern over the amount of that payment or other allegations concerning compliance with a contract. Claims concerning any dispute, and any interest which may be payable with respect to the period while the dispute is being resolved, shall be subject to the ruling of the Contract Appeals Board.

Sec. 6. (a) Each District agency shall file with the

New,  
D.C. Code,  
sec. 1-1175  
(1985 supp.)

Mayor a detailed report on any interest penalty payments made pursuant to this act during the preceding fiscal year.

(b) The report shall include the numbers, amounts, and frequency of interest penalty payments, and the reasons the payments were not avoided by prompt payment, and shall be delivered to the Mayor within 60 days after the conclusion of each fiscal year.

(c) The Mayor shall submit to the Council within 120 days after the conclusion of each fiscal year a report on District agency compliance with the requirements of this act. The report shall include a summary of the report submitted by each District agency pursuant to this section and an analysis of the progress made in reducing interest penalty payments by that agency from previous years.

Sec. 7. (a) An invoice shall be deemed to have been received by an agency on (A) the date on which the agency's designated payment office actually receives a proper invoice, or (B) the date on which the agency accepts the property or service concerned, whichever is later.

New,  
D.C. Code,  
sec. 1-1176  
(1985 supp.)

(b)(1) District agencies shall mail or otherwise deliver checks to a business concern on or about the same day that the checks are dated.

(2) If a District agency makes a payment by check on or about same day as the date of the check, then the payment shall be considered made on the date on which a check for payment is dated.

(c) A contract for the rental of real or personal property is a contract for the acquisition of that property.

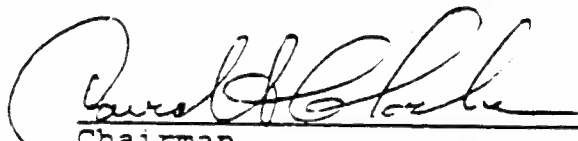
Sec. 8. (a) This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)).

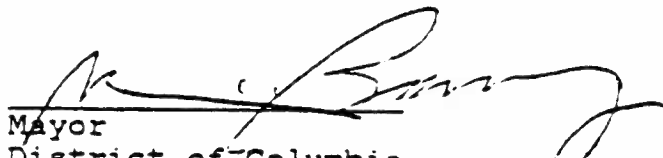
(b) The rules and regulations required under this act shall be issued not later than 120 days after the effective date of this act.

Note,  
D.C. Code,  
sec. 1-1172  
(1985 supp.)

(c) This act shall apply to the acquisition of property and services acquired beginning 120 days after the effective date of this act.

Note,  
D.C. Code,  
sec. 1-1171  
1-1176  
(1985 supp.)

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED: January 11, 1985





COUNCIL OF THE DISTRICT OF COLUMBIA  
Council Period Five - Second Session

RECORD OF OFFICIAL COUNCIL VOTE

DOCKET NO: B5-120

Item on Consent Calendar  
 ACTION & DATE: Adopted First Reading, 12-4-84  
 VOICE VOTE: By Majority  
 Recorded vote on request

Absent: Smith

ROLL CALL VOTE: - RESULT \_\_\_\_\_

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					MOORE, JR.					SPAULDING				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X - Indicates Vote      A.B. - Absent      N.V. - Present, not voting

CERTIFICATION RECORD

*Russell Smith*  
Secretary to the Council

12/21/84  
Date

Item on Consent Calendar  
 ACTION & DATE: Adopted Final Reading, 12-18-84  
 VOICE VOTE: Unanimous  
 Recorded vote on request  
 Absent: Winter

ROLL CALL VOTE: - RESULT \_\_\_\_\_

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					MOORE, JR.					SPAULDING				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X - Indicates Vote      A.B. - Absent      N.V. - Present, not voting

CERTIFICATION RECORD

*Russell Smith*  
Secretary to the Council

12/21/84  
Date

Item on Consent Calendar  
 ACTION & DATE: \_\_\_\_\_  
 VOICE VOTE: \_\_\_\_\_  
 Recorded vote on request  
 Absent: \_\_\_\_\_

ROLL CALL VOTE: - RESULT \_\_\_\_\_

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					MOORE, JR.					SPAULDING				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X - Indicates Vote      A.B. - Absent      N.V. - Present, not voting

CERTIFICATION RECORD

\_\_\_\_\_  
Secretary to the Council

\_\_\_\_\_  
Date