

**Testimony of Victor O. Olds,
Before the New York City Council Committee on Contracts
Public Procurement Database
October 25, 2021**

Hello Chair Kallos and members of the Contracts Committee. Thank you for inviting us to attend this hearing today on establishing a public procurement database. Council Member Kallos, I'd like to take a moment to thank you for being a valued partner on the City Council over the past several years. MOCS' work over the last several years demonstrates our commitment to centralizing the procurement process and simplifying contracting for City vendors.

As we have testified before this Committee previously, the primary work at MOCS continues to be the design, build, and deployment of a digital platform that centralizes procurement activity for agencies and vendors. The Procurement and Sourcing Solutions Portal (PASSPort) has been a multi-year effort aimed at digitally transforming New York City contracting in a manner that streamlines and standardizes the procurement process. We developed this system through a phased rollout that carefully considered user needs and the appropriate schedule for bringing functionality online.

The first two Releases focused on bringing vendors into the platform – providing a central repository for filing required disclosures and performing document management, and subsequently piloting ordering and payment functionality on goods catalog contracts. The biggest component yet, Release 3, brought full end-to-end functionality for the contracting process, enabling agencies to source vendors once they have identified a need, release solicitations through a public portal, evaluate responses, draft a contract, and ultimately submit contract packages to the Comptroller for registration. The ability to conduct all of these activities in one shared platform brings a new degree of efficiency to New York City procurement, alleviates bureaucratic confusion, and drives better performance.

Over a year out from Release 3, we can now report that PASSPort is the central hub for doing business with the City. The past few years have seen a tremendous increase in vendor adoption of the system, with over 30,000 organizations having an account and 15,000 responses submitted to solicitations. This has been accompanied by discrete process efficiencies gained, such as seeing the length of vendor filings drop from weeks to days and the

average length for vendor background checks similarly reduced to a fraction of their previous timeline. Meanwhile, agency users have completed over one million workflow steps during this time, and released nearly 2,000 solicitations.

Our team continues to center its main focus on driving adoption, supporting agency capacity-building, and constantly iterating on the system to make sure it is flexible and user-friendly.

Looking forward, we expect to continue iterating on functionality to match the needs of users, even as user familiarity and adoption continue to grow. This process will also involve decommissioning older systems and constantly looking for disparate systems that can be consolidated into this one shared platform. We will also continue to leverage the data that is now available from this system to share procurement activity with the public.

As we recently discussed, we are in agreement with the primary purpose of Intro. 2401, which is to centralize information on New York City procurement and make it easier for vendors and nonprofits to do business with the City. We welcome further conversations with the Council to ensure that this legislation is tailored to the City's procurement laws and would like to see if there is a way to address the overlapping sets of regulations we already face, already existing publicly available information, and the need for an iterative, agile approach to software development.

We are currently focused on centralizing information on the Pre-Solicitation and Solicitation stages of the procurement process through PASSPort. These made the most sense to prioritize early, so vendors could find and respond to solicitations in one place and have a view into future City needs. We designed PASSPort to channel the information in the Post-Selection and Post-Award sections of the bill to the City Record Online (CROL), as is legally required. Over time we would like to post this information on PASSPort as well.

In general, we agree with the need to further centralize information on City procurement and make it as easy as possible for vendors and members of the public to find what they are looking for. This is the work we have already led for years with PASSPort, and it has resulted in a single place for doing the vast majority of business with the City. As we make further progress in adding functionality and increasing public accessibility, we will be happy to

continue this dialogue with the Council. Thank you for inviting us to testify today. I am joined by Ryan Murray, First Deputy Director and Douglas Lipari, Deputy General Counsel, and we can now take any questions you might have.

Hello, I am [Reilly Martin](#), senior program manager at the Open Contracting Partnership leading all of our organization's efforts in the United States. Thank you for the opportunity to testify today on 2401, in relation to a public procurement database.

Open Contracting Partnership is an independent non-profit based in Washington D.C. working in more than 50 countries, Mexico and the UK to name a few, with a growing presence in the U.S. Our mission is to make public procurement more open, inclusive, and fair.

We work with governments, legislators, academia, civil society, and more who value open contracting just as much as we do; we believe that both folks working for and elected by New York City share this dedication as is evident in this hearing and in what is already public today.

We are supportive of having open, accessible, user-friendly data in one holistic place and we are happy to help all players get there.

We know New York City, and specifically the Mayor's Office of Contracting Services, is already actively working on some of this. I want to lift up three pieces of their work, which are: inclusion of forecasting information, award milestone tracking, and online payment management. They also have an ongoing commitment to continue to make enhancements to online systems and accessible data.

To build on some of this work and do it well it is our understanding that other City agencies would need to be involved, such as the Comptroller. We are proponents of cross functional teams focused on contract reform and open contracting, and are happy to help ourselves in any way we can.

This legislation does include some helpful additions for open contracting, two in particular: it's focus on detailed award information and funding justifications. The value of open information on funding justifications has been important when reviewing emergency spending related to COVID-19. There are [resources available on our website](#) to learn how countries

around the globe have managed to buy fast, smart, and open as well as guidance to consider for future emergency spending.

There's also ways it could be better, specifically two to note: clarification on the timeline and what is expected in 120 days and how this relates to and/or compliments or contradicts current legislation.

Open Contracting Partnership recently released an [Open Contracting Legislative Guide](#), which we hope can continue to be a resource as you all think collectively about open contracting legislation in New York City.

We look forward to watching what we hope is increased collaboration around contracting data and continue to offer our technical assistance to continue to open up as much as possible, in the best way possible.

I will also submit this as written testimony for future reference and quick access to the online resources I've mentioned today.

Thank you.



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**STATEMENT OF
CAROLINE MAGEE
LEGAL FELLOW
SURVEILLANCE TECHNOLOGY OVERSIGHT PROJECT (“S.T.O.P.”)**

**BEFORE THE
COMMITTEE ON CONTRACTS
NEW YORK CITY COUNCIL**

**FOR A HEARING CONCERNING
A PUBLIC PROCUREMENT DATABASE**

**HEARING ON
OCTOBER 25, 2021**

Good afternoon, Councilmembers. My name is Caroline Magee, and I am a legal fellow at the Surveillance Technology Oversight Project (S.T.O.P.). Thank you for the opportunity to submit testimony on Introduction 2401, the public procurement database legislation.

S.T.O.P. enthusiastically supports this legislation. As the saying goes, sunlight is the best disinfectant. Transparency of contracts is indispensable for preventing and catching corruption. In a city with an annual budget of \$96 billion¹, the potential for corruption through improper contract awarding and spending is extreme.² The fact that there is no public procurement database already is a failure of the City's duty to its residents, and must be rectified. What the City does have – Local Law 11 of 2012 – is not enough, given that it is not standardized across agencies and many other problems.³

Additionally, transparency fosters public trust in government, something that is sorely needed in New York City.⁴ Recent years have shown dysfunction on the national, state, and local government level⁵, all of which has taken its toll on New Yorkers' faith in their government. But democracies require the trust of their participants. While this Council cannot change everything on the state and federal level, there is an opportunity here to change the narrative on the City level. This Council already does things to foster transparency – including things as small as Councilmembers' newsletters to their constituents. Passing this legislation would further this goal.

Furthermore, for government to be participatory, there must be transparency. Right now, it is largely impossible for regular New Yorkers to track contracts being considered or deployed by City agencies. This makes it entirely impossible to hold the government accountable – because it's so hard to even know what the City government is doing.

This problem is particularly galling in the context of the NYPD. After the protests following the murder of George Floyd in 2020, New Yorkers demanded more accountability of their police department. When contracts were exposed to public scrutiny through reporting or other ways, there were tangible consequences: when the NYPD's contract with Boston Dynamics for a dystopian robot police dog became public, criticism rained down on the Department until the contract was cancelled.⁶ But the reality of most NYPD contracts is that they never come to light.

The NYPD has exploited a lack of transparency for years with the special expenses fund, from which it secretly spent more than \$250 million dollars on surveillance technology. These contracts were only disclosed because this Council passed the Public Oversight of Surveillance Technology

¹ <https://comptroller.nyc.gov/reports/popular-annual-financial-reports/#:~:text=The%20%2496%20billion%20budget%20for%20the%202020%20Fiscal,and%20ventilators%2C%20to%20emergency%20food%20services%20and%20housing.>

² See: <http://www.jgbm.org/page/6%20Bakry%20Elmedni.pdf>

³ <https://legistar.council.nyc.gov/View.ashx?M=F&ID=9912348&GUID=31EB438F-B476-4C63-BDCA-725A4BA9A0DA>

⁴ https://www.americanbar.org/groups/crsj/publications/human_rights_magazine_home/the-next-four-years/rebuilding-trust/

⁵ <https://www.msn.com/en-us/news/us/de-blasio-claims-he-didn-t-erode-trust-in-nyc-government-despite-alleged-misuse-of-police-detail/ar-AAPFFAx>, <https://www.newsweek.com/new-york-ethics-commission-investigate-how-andrew-cuomos-51m-book-deal-got-approved-1635890>

⁶ <https://www.theverge.com/2021/4/29/22409559/nypd-robot-dog-digidog-boston-dynamics-contract-terminated>

Act in 2020.⁷ My organization, S.T.O.P., and the Legal Aid Society demanded the records and threatened litigation before finally receiving the contracts. The enormity of this secret spending is indicative of what a problem this city faces without contract transparency.

Police abuse thrives in secrecy; the NYPD has shown us that time and time again. Int. 2401 would be an important step towards shedding light in the shadows we have allowed the NYPD to dwell in for too long.

⁷ <https://www.stopspying.org/latest-news/2021/8/10/stop-legal-aid-society-condemn-159-million-in-secret-nypd-surveillance-contracts-release-public-copies>