

**Testimony of Inspector General Jeffrey S. Shapiro**  
**Regarding Senate 2571, *An Act Empowering Municipalities and Local Governments***

**Before the Joint Committee on Municipalities and Regional Government**  
**February 27, 2024**

Chairman Oliveira, Chairwoman Fiola and members of the Joint Committee on Municipalities and Regional Government:

Good day. Thank you for the opportunity to appear before your committee.

Since my appointment as Inspector General, I have met across the Commonwealth with many municipal officials to better understand the challenges they face and consider how the Office of the Inspector General (OIG) can better support them. Educating municipalities on strategies to prevent fraud, waste and abuse and providing them with technical assistance on procurement best practices and policies, particularly with regard to Chapter 30B of the Massachusetts General Laws, the Uniform Procurement Act, is a core function of the OIG. It's foundational for us, as we were created due to construction procurement irregularities across state and municipal government in the 1970's.

As such, I am mindful that the requirements for public procurements are the same for Boston or Worcester, as they are for Windsor, Goshen or Aquinnah. The complex and cumbersome procedures can be challenging for any jurisdiction, but even more so for those with small staff and budgets. While the OIG's mission and that of municipal agencies may differ, I do believe that we share a desire to make government work for the people we serve. As the state's watchdog, I support common sense changes to the law where it will address needless complications in the procurement process.

As your committee considers Senate 2571, *An Act Empowering Municipalities and Local Governments*, I want to commend the Healey-Driscoll Administration for putting together this omnibus municipal bill after an extensive listening session. This bill proposes significant changes aimed at improving municipal administration and streamlining government. Today I would like to highlight the sections of the bill that are of particular interest to the OIG.

### **Electric School Bus Procurement**

After speaking with many school superintendents and business administrators about the difficulty they were having with procuring electric buses and the infrastructure to power them, I decided to take a proactive approach to learn more about the problem rather than waiting five years and writing reports on what went wrong. After delving into it, I wrote an opinion piece about the need to simplify this process for local school districts. I am pleased that the Governor and Lt. Governor noted my concerns and included the language we helped draft into this bill.

The push towards electrification of public fleets, particularly school buses, raises unique procurement challenges. Specifically, under Massachusetts law, the procurement of electric vehicles and their electric charging infrastructure are separate procurements. The purchase or leasing of school buses falls under Chapter 30B. The charging infrastructure is essentially a construction project and therefore must be procured separately under Section 39M of Chapter 30 of the Massachusetts General Laws. The complexities of these procurements may lead school districts to inadvertently violate the law.

While electrification is an important initiative, the principles of fair competition and transparency should not fall to the wayside. Therefore, Section 15 of Senate 2571 allows a single procurement for electric school buses and charging infrastructure under Chapter 30B. This change will empower school districts to implement a specific clean energy initiative and take advantage of federal funding, while adhering to procurement law and the accountability controls provided in Chapter 30B. This language would sunset in five years.

### **Chapter 30B Thresholds**

When reviewing legislation, I balance the OIG's mandate to prevent and detect fraud, waste and abuse in public spending with ensuring that cities' and towns' responsibilities are fair, equitable and transparent. The OIG has the responsibility to enforce Chapter 30B and has the authority to monitor and investigate compliance with its dictates, but we do not own it.

Currently, municipal governments and school districts are subject to different procurement price thresholds. Sections 7 and 8 and sections 10 through 13 of Senate 2571 raise the price thresholds in Chapter 30B to make municipal government thresholds match those for school districts, which is up to, but not exceeding, \$100,000. Administering two thresholds within one community is cumbersome and difficult, and makes no sense to me, the public, or those charged with administering this law, especially when municipal departments and school departments want to conduct joint procurements. Therefore, in the interest of equity and fairness, I strongly support these sections of the bill.

In addition, section 7 of the bill also allows, but does not require, governmental bodies to use a request for proposals (RFP) for purchases up to \$100,000. Many municipal officials have asked for this flexibility to use RFPs because they want to apply comparative evaluation criteria in addition to price when procuring supplies and services. I support encouraging governing bodies to use more deliberative procurement procedures if they so choose.

### **Chapter 30B Technical Corrections**

Since Senate 2571 makes some changes to Chapter 30B, I thought I would offer a few more. We have identified corrections that are needed in Chapter 30B. This session, I filed House 7, *An Act Relative to Technical Corrections in Chapter 30B*. These are truly, 100%, only technical corrections. The bill corrects statutory references rendered inaccurate by amendments to other statutes. For example, it updates Chapter 30B to correctly reference the Open Meeting Law now codified at Chapter 30A of the Massachusetts General Laws.

As local governmental bodies use Chapter 30B to purchase or dispose of supplies, services and real property, it is imperative that the statute is free from inaccurate or out-of-date references. I will provide the committee with a copy of House 7, and I urge the committee to include these technical corrections in the version of the bill the committee advances.

I believe the language I highlighted will help make municipal government work more effectively and provide local leaders with more streamlined procurement rules. I hope you will include it in the bill the committee reports out.

### **Post-Retirement Critical Shortages**

I would also like to address section 16 of the bill, relative to critical shortage waivers. I recognize that the Commonwealth and Massachusetts municipal governments are part of the overall society in which hiring and recruiting has become exceedingly more difficult, especially in the post-pandemic new reality. Nonetheless, I am concerned that this section does not truly address the situation, but merely kicks the can further down the road. If a retiree is able to be both retired from Commonwealth government and/or a Massachusetts municipality and then is also allowed to have an exemption to work another full-time job for the Commonwealth or at the municipal level, the underlying cause is not addressed. If this person works in this second role and then decides to retire “truly or fully,” unless we do something differently the same situation remains.

While I believe there needs to be greater oversight of the post-retirement work process and rules, under the current statutory framework individuals may work part time as a post-retiree for one of these entities. We could redefine what it looks like for these categories, with a focus on part-time mentors and trainers for those who may have some of the skill but lack experience. I firmly believe we need to refocus and reprioritize efforts around business continuity, knowledge transfer and transition planning. Furthermore, we need to look at our compensation and benefits to understand why these positions are no longer desirable and address this situation as a strategic initiative. While I understand where this idea came from, respectfully, I believe this proposed solution is more episodic than part of a longer-term strategic plan.

### **Making Government Work Better**

As always, I appreciate the opportunity to testify and provide my perspective on how we can make government work better by enacting these proposed changes.

With the permission of the Chairs, I am happy to answer your questions.

Thank you.