

October 16, 2023

Via Electronic Mail

The Hon. Brendan Crighton, Chair Joint Committee on Transportation State House, Room 109C Boston, MA 02133 Brendan.Crighton@masenate.gov The Hon. William M. Straus, Chair Joint Committee on Transportation State House, Room 134 Boston, MA 02133 William.Straus@mahouse.gov

Re: School Bus Procurement

Dear Chair Crighton and Chair Straus:

Please find an <u>opinion piece</u> that appears in *CommonWealth* Magazine on issues related to the procurement of electric school buses and their associated charging infrastructure. As your committee has several bills before it regarding electrification of public fleets, particularly school buses, I wanted to bring to your attention issues my office has identified on this topic. I believe these matters need to be addressed in conjunction with setting any schedule for conversion of public fleets to electric vehicles.

Under Massachusetts law, the procurement of electric vehicles and their associated charging infrastructure are separate procurements. The purchase or leasing of school buses falls under Chapter 30B of the Massachusetts General Laws. The charging infrastructure must be procured separately under M.G.L. c. 30, § 39M as a construction project. Quasi-public agencies are attempting to streamline the process, but all parties must use a fair and open procurement process. The state's Operational Services Division has a statewide contract for both the buses and the infrastructure; however, there is only one vendor on its current contract, and labor costs to build the charging infrastructure are capped at \$50,000. Finally, electric buses and related infrastructure could possibly be added to the definition of either energy management or conservation projects in M.G.L. c. 25A to allow for a more streamlined process, but that determination has not been made yet.

As I stated in the piece, I am concerned that the complexity of electrifying bus fleets will lead school districts to inadvertently violate the law, resulting in reduced competition and higher prices. I certainly do not want to impede progress on this important initiative, but neither do I want to abandon the principles of fair competition and transparency in the expenditure of public funds. It would be a mistake to think these challenges are merely technical issues and that the end – reducing carbon emissions – justifies the means – disregarding procurement laws and the requirement to use public funds in a fair, transparent and prudent manner.

I call your attention to this matter because addressing this problem requires action from the Legislature to move forward in a way that respects the law and accomplishes the goal of reducing carbon emissions. Further, the availability of federal funds to purchase electric buses combined with the public's desire to take action to protect our planet have created an urgent need to resolve

Chair Crighton and Chair Straus October 16, 2023 Page 2 of 2

this issue. Indeed, these bills propose an ambitious deadline to electrify public vehicles fleets. Achieving this ambitious deadline would benefit from a streamlined procurement process, which address both the bus and associated charging infrastructure.

While the focus has been on school bus electrification at the moment, these or similar issues will arise as we try to electrify other types of public sector fleets. As the Commonwealth pushes forward in this endeavor, I believe it is important to understand how we get there, what the barriers may be and the possible solutions. In this way, we will be able to achieve these important goals in an efficient and deliberate manner.

I welcome the opportunity to meet to discuss this matter further. If you have any questions, please do not hesitate to contact me.

Sincerely,

Jeffrey S. Shapiro Inspector General

Enclosures (1):

CommonWealth Op Ed, by IG Shapiro, RE Electric School Bus Procurement Obstacles (10/15/23)

cc (via electronic mail):

The Hon. Becca Rausch
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The Hon. Michael Barrett
Joshua Giles, Director, Policy and Government Division, OIG
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