

Testimony of Inspector General Jeffrey S. Shapiro, Esq., CIG Regarding House 12, *An Act Updating Chapter 30B*, and House 13, *An Act Relative to Snow Hauling and Removal*

Before the Joint Committee on State Administration and Regulatory Oversight

July 15, 2025

Chair Collins, Chair Cabral, members of the Committee,

Good day.

Thank you for the opportunity to testify before you today on two important bills filed by my office - House 12, *An Act Updating Chapter 30B*, and House 13, *An Act Relative to Snow Hauling and Removal*. These two bills allow municipal government greater flexibility in managing the day-to-day operations of cities and towns while maintaining the appropriate transparency and fairness in procurement.

The improvements offered in both these bills were filed in multiple legislative vehicles last session but did not pass. That is unfortunate, since the seemingly minor changes offered by these bills will have a really positive impact on the daily work of municipal officials across the entire Commonwealth. I am unaware of any individual or group who opposes these concepts.

I understand, it's procurement law, it's in the weeds, it's not exciting to most people. But it really does matter to the hardworking municipal employees who are trying to conduct effective procurements every day in our cities and towns. I know this because I've traveled across our Commonwealth to speak directly with and listen to them, lots of them. I have spoken with municipal leaders in their city or town halls one-on-one or with them and members of their leadership team. I have conducted close to 60 of these municipal stakeholder meetings in all regions of the state and continue to try to hold 8 to 10 of these meetings each month. So I really do believe I understand the impact that the changes offered in these bills will have to our municipal leaders in all parts of the Commonwealth.

As Inspector General, I have made it a point to get out of my office and meet with the stakeholders on the ground, conducting the day-to-day business of government, on their home turf. I believe this is the best way to understand how laws and regulations impact government and its ability to operate effectively. Since the beginning of my term, I have traveled to almost 60 of the Commonwealth's 351 cities and towns to meet with municipal leaders and listen to them. Chair Collins can attest to this, as I was on a panel with him in Lenox one Saturday at Senator Mark's IG Shapiro Testimony Before the State Administration and Regulatory Oversight Committee July 15, 2025 Page 2 of 4

"Beacon Hill in the Berkshires" event. After all – who does not want to talk municipal government pain points early on a Saturday morning?

During these meetings I regularly ask municipal leaders to tell me where the pain points are, what is challenging, and what we can do to make their jobs a little easier while adhering to the principles of transparency, fairness and good government. These two bills represent just a couple of the issues that have been consistently discussed with me at these meetings. I, along with others, pushed for these changes last session. I hope they will become law this session.

Procurement Procedures and Thresholds

The first bill, House 12, makes some commonsense changes to the thresholds in Chapter 30B of the General Laws. Chapter 30B is the law that municipalities, along with some other governmental entities, must follow when procuring goods and services for their communities. It does not govern procurement by state agencies. There are different types of procurements based on three different thresholds in Chapter 30B:

- 1. Sound business practices;
- 2. Written quotations; and
- 3. Either an Invitation for Bid (IFB) or Request for Proposals (RFP).

House 12 would increase the threshold at which <u>sound business practices</u> could be used to procure goods and services from \$10,000 to \$15,000. Given the economic uncertainty since I filed this bill last November, I am actually now recommending that this threshold be increased to \$25,000. I believe this increase is appropriate and will allow municipalities the flexibility they need as they face the procurement challenges in front of them. For consistency with this change, the requirement for a written contract and the ability for a governmental entity to dispose of surplus property using written procedures would also increase to \$25,000.

The biggest issue House 12 addresses is the <u>difference in thresholds between school districts and</u> <u>municipalities</u> for the use of written quotations. In 2022, the upper threshold for schools to seek written quotes rather than sealed bids or proposals was increased from \$50,000 to \$100,000. The threshold for municipalities, and all other entities that follow Chapter 30B, was left at \$50,000. This has led to needless confusion and headaches, especially for those municipalities that jointly procure supplies and services with their school departments. It just makes sense to equalize these thresholds. If you told the average person on the street that the town has to make a \$60,000 purchase one way while the schools can procure the same supply another way, they would roll their eyes. The time is now to correct this.

Lastly, House 12 <u>allows</u> for the use of a <u>Request for Proposals</u> for procurements under \$100,000 if a jurisdiction wishes. This is already allowed for the Invitation for Bid process. Again, this provides municipalities with greater flexibility to apply comparative evaluation criteria in addition to price when conducting a procurement. For example, if a municipality wanted to hire a consultant to train staff on a new software system, a Request for Proposals could allow them to rate responses on criteria such as years of training experience and the ratio of trainers to staff. In this case, the

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decision on who to award a contract to would be based on that criteria, not just price. It is one more tool to help them get what they need.

Snow Plowing and Hauling

Believe it or not, snow plowing and snow hauling are treated differently when it comes to how the services can be procured.

Snow plowing is exempt from Chapter 30B, but snow hauling and snow removal are not. This makes it difficult and needlessly complicated for communities to secure these basic services. Since plowing is separate from hauling and removal, municipalities are finding it harder to contract for snow plowing. Based on my conversations with a number of town leaders, as our winters become milder, the contractors (landscapers, general contractors, etc.) who are critical partners to expand the snow removal efforts as a supplement to the municipalities' own workforce are less interested in doing the plow work during the storm. This is because storm work is less reliable. They can do better with private plow contracts and prefer not to commit. However, contractors are often interested in the removal and haul work that takes place days after the storm, when less private work is available.

Municipal leaders strongly believe if the snow removal and snow hauling could be included in the plowing contract, it would be a more attractive collective offering to contractors, who tend to have more interest in the hauling work then the plowing work. If they were jointly procured, the overall package is likely to be more attractive and provide the additional assistance many municipalities need. House 13 will remedy this issue.

When I shared with you that I am regularly meeting with municipal officials and employees to better understand their particular needs and challenges, I meant it. This past winter, after asking my hometown Town Manager about snow hauling and plowing, she offered me the chance to witness the work firsthand. Thus, she arranged a "ride along" in a municipal snowplow very early one snowy Sunday morning. After seeing what the drivers go through, and peppering my driver with questions, I feel I am far more knowledgeable on this matter. It just makes more sense to do what we can for municipalities to have the storm help that they need both during and after the storm. These very related services should be able to be procured in the same way.

I supported similar legislation that was filed last year. Unfortunately, as is often the case, it was not acted upon due to the large and diverse issues that come before this Legislature. With your support, I am optimistic that this is the year we can help our municipal leaders with these straightforward, impactful bills.

In conclusion, I have not heard of opposition to the concepts in either bill. The fear I have is not that there is opposition to these changes, but that there is indifference. These concepts have been through the process before but did not make it across the finish line. I am hoping they will this time. They would be welcomed by your local officials in the municipalities you represent. I know that from my listening tour. I urge passage of both of these bills.

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With the permission of the chairs, I am happy to answer any questions.

Thank you.

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