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August 7th, 2019

Representative Danielle W. Gregoire House Chair, Joint Committee on State Administration and Regulatory Oversight State House, Room 23 Boston MA, 02133

Senator Marc R. Pacheco Senate Chair, Joint Committee on State Administration and Regulatory Oversight State House, Room 312-B Boston MA, 02133

#### Dear Representative Gregoire and Senator Pacheco:

This letter is in reference to House Bills 2667, 2691, 2699, 2725, 2755, 2714, 2761, 2774, and Senate Bill S2224 for which representatives of the Massachusetts Association of Public Purchasing Officials (MAPPO) provided testimony at a hearing held by your Committee on July 26<sup>th</sup>, 2019. We appreciated the opportunity to share the organization's views at the hearing and thank you for inviting MAPPO to provide this follow up correspondence. MAPPO has also partnered with the Massachusetts Municipal Association (MMA) and formally supports MMA's written testimony submitted to this committee on July 26<sup>th</sup>, 2019

As stated in our testimony, MAPPO 's membership is comprised of purchasing agents representing municipalities from across the Commonwealth. Our members work daily to ensure compliance with procurement law while receiving the best possible value to serve their communities. The bills under consideration before this committee will materially impact our membership's ability to effectively perform their duties on behalf of their communities and for that we hope you consider the following. For ease of understanding, we have grouped "like" bills where appropriate.

#### H2714 - An Act relative to Ch 30B procurement

MAPPO strongly supports this measure to correct an administrative oversight that has limited

municipality's flexibility to select qualifications-based contractors for smaller jobs. Similar to a provision in HB11 put forth earlier this year by the Office of the Inspector General, this bill corrects a defect in the Municipal Modernization Act which currently prevents municipalities from using a Request for Proposal (RFP) method for purchases under \$50K threshold. While communities often want to use a competitive three quotes process to make such purchases, there are certain types of purchases, such as for consulting support, where making decisions on factors other than low price would be advantageous and best serve the interest of the communities procuring those services.

#### H2761 – an Act to promote Massachusetts manufacturers

## H2774 – An Act relative to preference for products or services manufactured or produced in the United States

#### S2224 – an Act to give preference to MA furniture manufacturers

MAPPO urges the members of this committee to oppose these bills. While MAPPO's many members recognize the importance of supporting state and local businesses, these bills would enable preferential purchasing that will run counter to the intent of the competitive, low-bid environment of current procurement law. Setting minimum purchasing thresholds or preferences for certain vendors damages the integrity the competitive bidding process, limiting municipalities' access to a fair open-market environment, reducing municipality's options and further driving up costs to the taxpayers.

# H2691 – An Act prohibiting certain business dealings with agents of foreign adversaries by the Commonwealth and the Massachusetts Bay Transportation Authority

While we understand the expressed intent of this bill is geared toward the MBTA and the purchase of train or trolley cars, we believe that this bill as currently written will have far-reaching implications and impacts on all municipalities. This bill will limit municipalities from dealing with many US-based companies who use or supply products purchased from "nonmarket economies", which may include China, limiting the number of competitive bidders with which we can work with, leading to higher bids and costs to the taxpayers. Furthermore, this restriction will put an onerous burden on municipalities to ensure compliance when selecting the awarder responsible and responsive bidder.

### H2667 – an Act requiring municipalities to place insurance out to bid H2755 – An Act eliminate the MGL30B exemption for solid waste, recycling, etc

MAPPO opposes these bills to remove current exemptions from procurement law that enable our members to choose a best fit contractor or insurance provider for their particular municipality. At the Inspector General's guidance, municipalities may use exemptions when available but are instructed to use competitive procurement processes whenever possible. Many municipalities currently competitively procure these services or in the process of heading that direction, but many more rely on these exemptions to find their best solution. Our member communities vary greatly in size, staff capacity, and subject expertise, and the one-size-fits-all procurement approach does not serve the varying needs of each community and for that we ask you to oppose these measures.

## H2699 – An Act relative to timely public payments for work not included in original construction contracts

#### H2725 – An Act relative to timely decisions by awarding authorities

MAPPO opposes these bills that will impose arbitrarily restrictive timelines on payment and change order review. While municipalities make every effort to promptly review change order requests and

issue payment, imposing legally binding timelines for payment hamstrings our ability to evaluate change order requests, accuracy of invoices submitted, and the completion of the work requested.

Once again, MAPPO appreciates the opportunity to provide its views on these important pieces of legislation. As the Committee considers these measures, MAPPO members would welcome the opportunity to further engage on the matters cited above and respond to any requests for clarification or additional information you may have.

If you have questions or would like to speak with MAPPO, please contact me at (617)898-4877 or by email at azuniga@townofmilton.org.

Sincerely,

Arlyn Zuniga, CPO, Town of Milton

President of MAPPO