July 17, 2017

Senator Mike McGuire  
Chair, Senate Governance and Finance Committee  
State Capitol, Room 408  
1315 10th Street  
Sacramento, CA 95814

Dear Senator McGuire:

We write to oppose AB 1250, which aims to limit the use of outside contractors to provide services by local governments.

As written, AB 1250 severely impacts the County of Santa Cruz's ability to provide cost-effective services to County residents, and undermines the County's desire to partner with community-based organizations to deliver on our commitment to improve the lives of local residents.

This bill would have far-reaching impacts that impede our ability to support community based childcare, homeless services, mental health and crisis intervention services, criminal justice custody alternatives, rehabilitation and reentry services, jail medical services, contracted legal expertise, financial services, janitorial services, and so much more.

Further, the bill includes burdensome reporting requirements that may make it more difficult for the County to contract with quality vendors, as well a provision for the creation and maintenance of databases. There is no direction in the measure regarding who must update this information, or how often this information must be updated. This in itself is an unfunded mandate that will create significant costs in staff time and increased workload.

Allow me to provide a few examples. Our County began contracting with an outside vendor for a vendor-supplied financial and tax system, which is still being rolled out.
Using County employees to provide similar staffing and services would be a significant added cost. At a time when we are seeking to improve the efficiency of government services, developing our own system when the vendor solution provides similar support to other counties is a waste of resources.

Santa Cruz County has also been a national leader in innovative jail diversion, custody alternatives, and rehabilitation and reentry programs for offenders, having garnered numerous awards over the years. For many of these programs, we partner with outside programs who have the expertise to provide these cutting-edge services. In January of 2018, we are also opening the Rountree Rehabilitation and Reentry Facility with the help of a significant State investment, and are currently negotiating with nonprofits to provide for the increased demand for these services. This bill could significantly jeopardize these ongoing efforts.

Our Board of Supervisors recently implemented a new data-driven, evidence-based system of providing community services, based on nine locally developed action plans. The awards, which exceed $12 million over three years, provide family therapy to low-income children, financial literacy services to families at risk of becoming homeless, tax preparation services to seniors, suicide prevention counseling, fresh fruits and vegetables to homebound elderly residents, case management services to foster youth and much, much more. This program is also jeopardized by AB 1250.

This bill goes in the opposite direction of where Santa Cruz County is headed, which is seeking to strike a balance between County work and community-based contracted work, in order to maximize the effectiveness of scarce taxpayer dollars and draw upon the ample expertise of the community.

To match the services provided by outside vendors, the County would have to significantly ramp up departmental staff and costs, including post-employment costs. Unfortunately, the reality of AB 1250 is that it does not protect public-sector jobs, but instead sacrifices services provided to the community.

We join with many others across California in asking you to vote no on this bill.

Sincerely,

JOHN LEOPOLD, Chair
Board of Supervisors

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CC:
Senate Majority Leader Bill Monning
Assemblymember Mark Stone
Assemblymember Anna Caballero
Assemblymember Reggie Jones-Sawyer