June 13, 2017

The Honorable Mike McGuire
State Capitol
Room 5064
Sacramento, CA 95814

RE: Assembly Bill 1250 (Jones-Sawyer) – County Contracts for Personal Services – OPPOSE

Dear Senator McGuire:

On behalf of the Humboldt County Board of Supervisors, I am writing to express our respectful opposition to your Assembly Bill 1250 because it would severely restrict our ability to contract for services by placing hurdles that will increase costs and reduce opportunities to meet delivery needs for our residents. Regrettably, AB 1250 will mean a reduction in services offered to fewer residents, if they can still be offered at all.

AB 1250 would restrict a county's ability to contract for personal services, an undefined term in the bill, unless specific steps are taken by the county and a current or prospective contracted service provider. The service provider could be a non-profit organization, a corporation, partnership or sole proprietorship offering a broad scope of services including but not limited to prehospital EMS care, legal representation, landscaping, information technology support, and senior support services. In Humboldt County, this would hinder services provided to our most vulnerable citizens by non-profit organizations, including medical, dental and behavioral health services, homeless housing, food and nutrition benefit outreach and enrollment, and children and family services.

AB 1250 provides that counties may only enter into a personal service contract that is valued at more than $100,000 if the Board of Supervisors “clearly demonstrates” that the contract will result in actual cost savings according to specific cost-benefit analysis standards. However, counties are expressly prohibited from taking into account savings that could result from the contract through equipment, like specialty vehicles, or materials provided. AB 1250 could restrict contracting based on an incomplete analysis.

In addition, while counties are not responsible for the cost of conducting the analysis it will still hurt our ability to maximize services because contractors will pass on new costs to counties in other ways. Counties will also likely see a smaller pool of providers to choose from if AB 1250 cost-benefit analysis proves to be too costly, time consuming, or burdensome.
Contracted service providers are also required to provide extensive information about their private employees to counties and counties in turn must make that information subject to the California Public Records Act. This information includes contractors disclose a description of all charges, claims or complaints filed against the contractor within the last 10 years, to total compensation the contractor provides to workers under the contract, and the total compensation of the five highest-compensated officers. This is a significant overreach, and could provide disincentive for contractors to apply. It also opens to the door to major new administrative burdens and new, non-reimbursable administrative costs for records request compliance. It should go without saying that we would expect an increase in litigation over personal privacy violations brought forward by private employees.

For these reasons, the Humboldt County Board of Supervisors is opposed to AB 1250.

Sincerely,

Virginia Bass, Chair
Humboldt County Board of Supervisors

cc: Assemblymember Reginald Byron Jones-Sawyer, Sr.
   Assemblymember Jim Wood
   Board of Supervisors
   Members, Senate Governance and Finance Committee
   Shaw/Yoder/Antwith, Inc.
   Rural County Representatives of California
   California State Association of Counties

Thanks for all you do!