

Mariposa County Board of Supervisors



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April 25, 2017

The Honorable Reginald Jones-Sawyer, Sr.
California State Assembly
State Capitol Building, Room 2117
Sacramento, CA 95814

**Re: AB 1250 (Jones-Sawyer) – Counties and Cities: Contracts for Personal Services.
NOTICE OF OPPOSITION (As amended on 4/7/17)**

Dear Assembly Member Jones-Sawyer.

On behalf of the County of Mariposa, we must respectfully oppose your Assembly Bill (AB) 1250, which effectively eliminates almost all contracting services for cities and counties.

Local governments have a long history of addressing service delivery challenges with creativity, self-reliance and innovation. Unique local challenges and limited budgets continue to fuel innovative efforts to obtain expertise and provide high quality services. As amended, AB 1250 places substantial burdens on local agencies by adding onerous, over-prescriptive and unnecessary requirements that impede on local control and have significant impacts on local governance. Specifically, AB 1250:

Creates Significant Cost and Workload Requirements:

AB 1250 eliminates local agency hiring discretion by limiting a local agencies' ability to utilize a contract for the *sole purpose of cost savings through salaries and benefits*. This creates a significant hurdle as many local agencies continue to struggle financially and have not achieved the same level of economic prosperity compared to pre-2008 recession levels. Unemployment rates remain high in certain areas, agencies are near a breaking point on their unfunded actuarial liability (UAL) and normal pension costs and some communities remain in significant financial difficulty.

Moreover, AB 1250 requires that the agency provide an orientation to contracted employees. Last year, AB 2835 (Cooper), which mandated that public employers must provide an orientation to their own employees, was tagged at *\$350 million in ongoing costs* by the California department of Finance. Having a local agency provide an additional orientation to non-county employees creates significant cost and logistical concerns.

Additionally, there are real and significant privacy concerns about posting full names, job titles and salaries of *non-county employees*. AB 1250 would require a county to create a new, fully

searchable database that must be posted on the county website which will include substantive and sensitive information including the names, job titles, salary of each contracted employee (and subcontractors) and services of the contract, the name of the agency department or division of the county who manages the contract.

Creates a New and Burdensome Reporting Requirements:

AB 1250 would require a county, before entering a contract or renewing a contract, to perform a full economic analysis of the potential impacts of outsourcing, including the impact on local businesses if consumer spending power is reduced (among other factors). AB 1250 mandates a county to conduct a full environmental impact analysis caused by contracting for the services. Further, the measure forces a county to conduct an annual audit of each contract and prohibits a county from renewing or granting a new contract before the report is released and considered by the board of supervisors.

Each of these measures requires additional staff time and financial resources. While such actions may be beneficial in certain circumstances, we will be more effective and efficient if our focus remains on doing the work that needs to be done rather than studying the possibility of doing the work. With all due respect, too many studies may undermine the County's mandate to deliver effective, efficient and equitable services to residents and visitors.

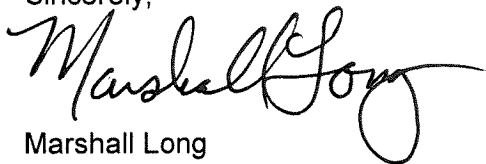
Increased Litigation to Local Agencies:

AB 1250 applies joint and several liability for employment law violations arising from performance of the contractor as well as torts committed by the contractor or any of its subcontractors in the course of providing services under the contract would place overly restrictive requirements on cities and potentially open that agency up to litigation.

The workload, privacy concerns, costs and litigation created by this measure places an overwhelming and significant burden on nearly every county department and would create a de facto ban on virtually all contracting services. This de facto ban would apply undue stress to already strained County budgets and is, in our opinion, in direct opposition to the County's ability to deliver services.

For these reasons, the County of Mariposa opposes Assembly Bill 1250.

Sincerely,



Marshall Long
Chair

cc: Senator Tom Berryhill, 8th District
Assembly Member Frank Bigelow, 5th District