June 12, 2017

Honorable Mike McGuire
Chair, Senate Governance and Finance Committee
State Capitol Building, Room 408
Sacramento, CA 95814

RE: AB 1250 (Jones-Sawyer): Contracts for personal services – OPPOSE -
As amended May 30, 2017

Dear Senator McGuire:

On behalf of San Luis Obispo County, I am writing to oppose AB 1250 (Jones-Sawyer) which would establish specific standards for the use of personal services contracts by counties which is an attack on the services the County provides for its residents.

In this economy, we must constantly seek ways to maintain vital services for our residents while identifying options to keep down costs associated with those services. Often, the wide ranging and every-changing requirements placed on local programs and projects make it necessary to seek contracted assistance. For example, there are times that we retain outside specialists, such as attorneys, because the County lacks the specialized knowledge and experience needed. AB 1250 would limit the County’s ability to hire specialized outside counsel. Adding additional hurdles such as those proposed by AB 1250 will increase costs and reduce opportunities to meet service delivery needs in the most cost-effective manner.

The bill would impose a defacto prohibition on our County’s ability to contract with non-profits that are the licensed experts and community based organizations who deliver vital services to our residents and your constituents. The restrictions AB 1250 places on contracting for county services will jeopardize health care, social services, mental health and public safety services across the County.
In addition, the requirement to clearly demonstrate that the proposed contract will result in actual overall costs savings could add delays to the start of a project as this justification is prepared and debated. Adding unnecessary layers of bureaucracy and oversight for operational considerations is not time or cost effective.

Finally, the cost savings audit will only increase our costs. While, the proposed language dictates these audit costs are to be paid by the vendor, the vendor will simply pass those costs on to the County via their costing methods.

By restricting our County's ability to provide services in the most cost-effective manner, AB 1250 will also increase costs for taxpayers and reduce funding available for other local services. For many vital programs, it will not be a matter of who will provide the service but if they can even be offered at all.

For these reasons, the County of San Luis Obispo strongly opposes AB 1250.

Sincerely,

JOHN PESCHONG
Chair, Board of Supervisors

[Signature]

Honorable Members, Senate Governance and Finance Committee
Honorable Senator Bill Monning
Honorable Assembly Member Jordan Cunningham
Members, San Luis Obispo County Board of Supervisors
Dan Buckshi, San Luis Obispo County Administrator
Paul Yoder and Karen Lange, Shaw/Yoder/Antwich