



May 8, 2017

Assembly Member Lorena S. Gonzalez Fletcher
Chair of the Appropriations Committee
P.O. Box 942849
Sacramento, CA 94249-0080

Assembly Member Frank Bigelow
Vice Chair of the Appropriations Committee
State Capitol, Suite #4158
Sacramento, CA 94249

RE: ITAPS Opposition to A.B. 1250

Chair Gonzalez Fletcher and Vice Chair Bigelow,

On behalf of the IT Alliance for Public Sector (ITAPS)¹, I write in opposition to A.B. 1250, which we believe has the potential to effectively eliminate a county or city from being able to meaningfully contract with the IT industry to provide complex technology needs outside of the governments' existing capability. As a group of 90 technology companies that do business with the state, we respectfully urge your opposition to A.B. 1250.

A.B. 1250 would require cities and counties to conduct a cost-benefit analysis of using city employees to do a job versus hiring a contractor. Government agencies would have to show that no city workers would be displaced, demoted or given fewer hours because of the contract. The bill would require the county or city to clearly demonstrate that the proposed contract will result in actual overall cost savings to the county or city. The contractor would be required to reimburse the city for the cost of the analysis. The bill would also impose additional disclosure requirements for contracts exceeding \$5,000,000 annually, and would require each county or city to maintain on its Internet Web site a searchable database of all of its contracts exceeding \$5,000,000.

Furthermore, the measure forces a city to conduct an annual audit of each contract and prohibits a city from renewing or granting a new contract before the report is released and considered by the council. The bill would also require the county or city to provide an orientation to employees of the contractor who would perform services pursuant to the contract.

It is clear by the non-exhaustive list provided above that A.B. 1250 would provide for a very costly alternative to the laws currently on the books preventing a county or city from outsourcing work that can already be performed by a city or county employee. This legislation would presumably include IT contracting, which is often required in order to provide complex IT solutions to cities and counties subsequently saving them money and provide them with a solution outside the expertise of city and county employees. Such solutions include migrating to cloud storage solutions, which can provide cost savings by not having to maintain legacy systems. Additionally, in the rare instance that a city or county would be able to contract with a vendor under this proposed legislation this bill would increase the cost to the city or county exponentially. When all is considered, this bill would have negative implications for California counties, cities and taxpayers. ITAPS respectfully asks that you oppose A.B. 1250.

Sincerely,

¹ **About ITAPS.** ITAPS, a division of the Information Technology Industry Council (ITI), is an alliance of leading technology [companies](#) building and integrating the latest innovative technologies for the public sector market. With a focus on the federal, state, and local levels of government, as well as on educational institutions, ITAPS advocates for improved procurement policies and practices, while identifying business development opportunities and sharing market intelligence with our industry participants. Visit itaps.itic.org to learn more. Follow us on Twitter [@ITAlliancePS](#).



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Information Technology Alliance for Public Sector (ITAPS)