June 27, 2017

The Honorable Mike McGuire, Chair
Senate Governance & Finance Committee
State Capitol #408
Sacramento, CA 95814

RE: AB1250 (Jones-Sawyer) Counties: Contracts for Personal Services - OPPOSE

Dear Chairman McGuire,

We are writing on behalf of BizFed, a grassroots alliance of over 160 business organizations that represents 325,000 employers with over 3 million employees in LA County. BizFed opposes AB1250 because it establishes significant and costly obstacles for county contracting for personal services, it seeks to severely limit options for county agencies to determine the most appropriate solution to providing efficient and effective public service.

AB1250 eliminates the consideration of contracting for counties. The result will likely be higher costs, further exacerbating the crisis counties experience in delivering public services to taxpayers within existing tax revenues, without imposing increases in taxes and fees. AB1250 continues the increasingly burdensome regulatory climate and cost of doing business in the state. These are two of the top five concerns of BizFed business leaders, when they took our Annual Poll in 2017.

AB1250 establishes onerous reporting requirements and cost barriers to prospective contractors by arbitrarily forcing them to pay for a full cost-benefit analysis including an environmental impact report. These new requirements discourage vendors especially those in SBE and DVBE categories from even bidding or sub-contracting for such projects, thus leaving agencies with either limited choices for contracting services or the complete elimination of specific services. It would also make it nearly impossible for counties to reach their small business procurement goals.

Counties have a long history of addressing service delivery challenges with creativity, self-reliance and innovation through using outside vendors to provide services. AB1250 limits the tools and resources the counties rely upon to provide public services to taxpayers within their means. Thank you for allowing our input on this matter. Should you have any questions, please contact Lara L. Larramendi, Advocacy Director at 626/201-1683.

Sincerely,

Mike Lewis
BizFed Chair
Senior VP,
Construction Industry
Air Quality Coalition

David Fleming
BizFed Founding Chair

Tracy Hernandez
BizFed Founding CEO
EMPOWER. INC

CC: Senate Governance & Finance Committee Members
Asm. Reggie Jones-Sawyer, Jr.