

COUNTY OF SAN MATEO
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June 23, 2017

The Honorable Mike McGuire
Senate Committee on Governance and Finance
State Capitol Building, Room 5061
Sacramento, CA 95814

RE: Assembly Bill 1250 (Jones-Sawyer) Counties: contract for personal services—OPPOSE

Dear Senator McGuire:

On behalf of the San Mateo County Board of Supervisors, I write inform you of our strong opposition to Assembly Bill 1250 by Assembly Member Reginald Jones-Sawyer, which would establish specific standards for the use of personal services contracts by counties.

Assembly bill 1250 would provide that a county agency may only contract for personal services currently or customarily performed by county employees when all of the following conditions apply: 1) the board of supervisors clearly demonstrates that the proposed contract will result in actual overall cost savings to the county for the duration of the contract; 2) proposals to contract out work shall not be approved solely on the basis that savings will result from lower contractor pay rates or benefits; 3) the contract does not cause the displacement of county employees; and 4) the contract does not cause vacant positions in county employment to remain unfilled, and other specified conditions. The measure would also mandate inclusion of material breach termination clauses, require that contractors pay wages at industry level, and impose additional disclosure requirements for contract exceeding \$100,000 annually; information that counties would be required to track and to disclose under the California Public Records Act.

The restrictions that Assembly Bill 1250 would place on contracting for county services will jeopardize health care, social services, mental health, public safety and other important services provided by counties, and will severely impact our most vulnerable clients. The bill would impose a de facto prohibition on our County's ability to contract with non-profits that are the licensed experts and community based organizations (CBOs) that deliver vital services to neediest clients.

In San Mateo County, for example, we contract for a number of critical services that we either do not have the expertise or the internal staffing capabilities to provide in the most effective manner to our clients. These contracts allow for us to provide critical services in geographically remote areas of the County and ensure that our clients stay connected to services and that they do not have travel long distances to receive them. They also allow us to provide expert and highly specialized services to sub- populations, such as foster youth and the homeless. In the month of April 2017 alone, a total number of 9,387 clients visited the County's regional CBOs seeking assistance for food, shelter and rental assistance.

Assembly Bill 1250 would also have devastating impacts on the ability of our Health System to provide an array of services, including 9-1-1 ambulance services that respond to over 45,000 emergency medical calls per year; mental health services in our County jail; household hazardous waste disposal; provision of older adult services (such as tax preparers for the Public Guardian and Public Administrator, financial managers, professional property cleaning services, and residential care and home health providers), animal control/licensing program, and services for




HIV/STD clients, to name a few. All of the CBOs that provide these services have the requisite experience, infrastructure and ability to be much more nimble in maneuvering complicated service delivery system structures to provide much needed services to our most vulnerable populations.

Assembly Bill 1250 would establish hurdles that would unnecessarily delay the award of contracts, reduce the pool of eligible contracts that would submit proposals, increase costs and adversely impact our ability to provide essential services to County residents. Furthermore, our County already has pre-established processes and auditing practices to ensure legal compliance of contracts for outsourced services and determine the effectiveness of the services provided.

In closing, Assembly Bill 1250 would reduce counties' abilities to care for the most vulnerable members of our community by harming our innovative and successful system of public/private partnerships that runs throughout our state, and limit counties' opportunities to seek service contracts where overall savings could be achieved. For these reason, the County of San Mateo opposes Assembly Bill 1250. Should you have any questions about our position, please contact Connie Juarez-Diroll, Legislative Director (650-599-1341, cjuarez-diroll@smcgov.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Don Horsley", with a stylized flourish at the end.

Don Horsley, President
Board of Supervisors

cc: The Honorable Jerry Hill
San Mateo County Board of Supervisors
San Mateo County Manager