

ACTION ALERT!!

AB 1250 (Jones-Sawyer) De Facto Ban on Local Government Contracts

OPPOSE

Background:

AB 1250 will place 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.

The new reporting requirements, privacy concerns, increased costs, and potential for litigation created by this measure would place an overwhelming and significant burden on nearly every city department and would create a de facto ban on virtually all contracting services.

AB 1250 would:

- Require a city, before entering a contract or renewing a contract, to perform a full cost-benefit analysis of the potential impacts of outsourcing, including the impact on local businesses if consumer spending power is reduced.
- Mandate a city to conduct a full cost-benefit analysis and environmental impact analysis caused by contracting for the services.
- Force a city to conduct an annual audit of each contract.
- Eliminate 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.
- Require that the agency provide an orientation to contract non-city employees.
- Require a city to create a new, fully searchable database that must be posted on the city website for certain contracts. Apart from the inherent cost drivers with this provision, there are significant privacy concerns about posting full names, job titles, and salaries of non-city employees. This database must include: The names, job titles, salary of each contracted non-city employee and subcontractors.
 - The services of the contract, the name of the agency department or division of the city who manages the contract.
 - The amount paid to the contract including the total projected cost of the contract for all fiscal years and the funding source.
 - The total number of "full time equivalent" employees being contracted out.

ACTION: AB 1250 will be heard on May 10, 2017 in the Assembly Appropriations Committee. If you have an Assembly Member on this committee, please send in your CITY LETTER OF OPPOSITION as soon as possible. A sample letter is attached or a letter may also be sent through the League's online [Action Center](#).

ASSEMBLY APPROPRIATIONS					
Member	District	Party	Room	Phone	Fax
Bigelow, Franklin (Vice-Chair)	5	R	4158	916 319 2005	916 319 2105
Bloom, Richard	50	D	2003	916 319 2050	916 319 2150
Bocanegra, Raul	39	D	2175	916 319 2039	916 319 2139
Bonta, Rob	18	D	2148	916 319 2018	916 319 2118

Brough, William	73	R	3141	916 319 2073	916 319 2173
Calderon, Ian	57	D	319	916 319 2057	916 319 2157
Chau, Ed	49	D	5016	916 319 2049	916 319 2149
Eggman, Susan	13	D	4117	916 319 2013	916 319 2113
Fong, Vince	34	R	4144	916 319 2034	916 319 2134
Friedman, Laura	43	D	2137	916 319 2043	916 319 2143
Gallagher, James	3	R	2158	916 319 2003	916 319 2103
Garcia, Eduardo	56	D	4140	916 319 2056	916 319 2156
Gonzalez Fletcher, Lorena (Chair)	80	D	2114	916 319 2080	916 319 2180
Gray, Adam	21	D	3152	916 319 2021	916 319 2121
Muratsuchi, Al	66	D	2179	916 319 2066	916 319 2166
Oberholte, Jay	33	R	4116	916 319 2033	916 319 2133
Reyes, Eloise Gómez	47	D	4015	916 319 2047	916 319 2147

You can find your Legislator's contact information here: <http://findyourrep.legislature.ca.gov/>.

Talking Points:

- AB 1250 threatens the mission of local governments to provide vital local services in an efficient and economical way.
- The standards outlined in this bill set an impossible standard for cities to meet for contracting—which is still in essence and de facto ban on contracting services.
- **City of _____** and all California cities need to retain flexibility in how we deliver quality services to residents. Less competition from innovative service providers will ultimately mean a decrease in the quality of services provided to residents.
- AB 1250 creates a series of new and burdensome reporting requirements prior to entering or renewing a contract, such as, performing a full cost-benefit analysis of the potential impacts of outsourcing, including the impact on local businesses, conducting a full environmental impact analysis caused by contracting for the services, and requiring an annual audit of each contract.
- Apart from the inherent cost drivers associated with developing and maintaining a database of contractors, forcing a city to publically disclose every individual contracted (and subcontracted) employees name, work address, and their annual salary is a gross violation of privacy. This will invite litigation from those private citizens who do not wish to have their information made public.
- The core issue that the sponsors have identified is that they want true transparency and accountability for local government contracting services. **City of _____** supports that effort. **But how can a city provide true transparency to the public if we are forced to take into account every single cost driver of contracting for services while not being able to take into account any of the cost savings that a contract provides?**

- **This is not real transparency** because the numbers are skewed and the public won't be given all of the facts. Under AB 1250, small and medium sized cities will be forced to meet a standard for contracting services that is unattainable and will invite litigation at every turn.
- Having a local agency provide an additional orientation to non-city employees creates significant cost and logistical concerns. For instance, 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. This is a costly mandate on cities.
- Many contracts for services are with other local agencies; other contracts deliver specific expertise that can assist a community. [Offer examples of how this flexibility benefits your community.]