

AB (Jones-Sawyer D) Counties and cities: contracts for personal services. (Amended: 4/25/2017)

Status: 5/30/2017-Action From APPR. SUSPENSE FILE: Read second time and amended.To SECOND READING.

Location: 5/30/2017-A. SECOND READING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 5/30/2017 #150 ASSEMBLY SECOND READING FILE -- ASSEMBLY BILLS

Summary: Existing law authorizes the board of supervisors of a county to contract for special services on behalf of various public entities with persons who are specially trained, experienced, expert, and competent to perform the special services, as prescribed. These services include financial, economic, accounting, engineering, legal, and other specified services. Existing law also authorizes legislative bodies of cities to contract with any specially trained and experienced person, firm, or corporation for special services and advice in financial, economic, accounting, engineering, legal, or administrative matters. This bill would establish specific standards for the use of personal services contracts by counties and cities. Beginning January 1, 2018, the bill would allow a county or county agency, or a city or city agency, to contract for personal services currently or customarily performed by county employees, as applicable, when specified conditions are met. Among other things, the bill would require the county or city to clearly demonstrate that the proposed contract will result in actual overall costs savings to the county or city and also to show that the contract does not cause the displacement of county or city workers. The bill would require a contract entered into under these provisions to specify that it may be terminated upon material breach, if notice is provided, as specified. Additionally, the bill would require the county or city to provide an orientation to employees of the contractor who would perform services pursuant to the contract, among other conditions. The bill would require that the county or city conduct a cost-benefit analysis prior to entering into the contract and would require the prospective contractors to reimburse the cost of the analysis. The bill would also require the county or city to conduct an audit of the contract to determine whether cost savings have been realized and would require the contractor to reimburse the cost of the audit. The bill would impose additional disclosure requirements for contracts exceeding \$5,000,000 annually, would exempt certain types of contracts from its provisions, 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. By placing new duties on local government agencies, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.