



City of Whittier

13230 Penn Street, Whittier, California 90602-1772
(562) 567-9999 www.cityofwhittier.org

June 12, 2024

Joe Vinatieri
Mayor

Cathy Warner
Mayor Pro Tem

Octavio Martinez
Council Member

Fernando Dutra
Council Member

Mary Ann Pacheco
Council Member

Brian Saeki
City Manager

The Honorable Liz Ortega
Assembly Member, District 20
1021 O Street, Room 5120
Sacramento, CA 95814

RE: AB 2557 (Ortega): LOCAL AGENCIES: CONTRACTS FOR SPECIAL SERVICES AND TEMPORARY HELP: PERFORMANCE REPORTS
(As amended 6/05/24)
Notice of Opposition

Dear Assembly Member Ortega:

The City of Whittier respectfully **opposes AB 2557**, a bill related to contracting by local agencies. AB 2557 is overly burdensome and inflexible, which increases bureaucratic burdens and diminishes local services for our residents.

Broad application has costly implications. Whittier relies in part on contractors to provide a variety of programs and services. Given our current workforce shortages, it would be difficult to provide these services without their capable assistance. Over the years, Whittier has used contract plan review services to expedite projects during times of robust economic growth, to facilitate the implementation of a large-scale mixed use housing development, to pick up trash, provide additional construction management help with large scale public works projects, conduct complex fiscal analysis and auditing, and to perform tree and landscape services and additional sidewalk cleaning.

With the additional reporting obligations and requirements of AB 2557 for local agencies with represented workforces and their contractors, we can expect (1) fewer nonprofit providers, community-based organizations, and other private service providers willing to engage with local agencies, (2) further compounding of already-demanding workloads for our existing staff, and (3) increased costs.

There remains a chronic under-investment in funding of local government programs and services in California. Most of the new resources that local agencies have received from the state and federal governments over the past many years have been one-time in nature.

Reporting requirements are burdensome, duplicative, and impractical. AB 2557 would require contractors to provide quarterly performance reports with a litany of required components, including personally identifiable information for its employees and subcontractors that is subject to the California Public Records Act. Cities would need to create a new local bureaucracy at a considerable cost to follow the provisions that require quarterly performance reports.

Page Two
The Honorable Liz Ortega
June 12, 2024

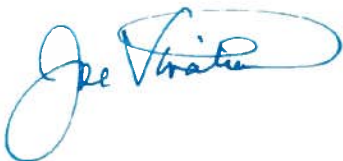
In addition to requiring contractors to provide semi-annual performance reports every 180 days, AB 2557 requires an independent auditor (likely also to be subject to AB 2557) to determine whether performance standards are being met for contracts with terms exceeding two years, ostensibly *at the contractor's cost*. It is unclear what this audit could unearth that a regular performance report cannot. This provision fails to understand the practical logistics of actually achieving this reporting, fails to understand the feasibility of reviewing this reporting in a timely manner, and places considerable burden on contractors, which would presumably be another deterrent to engaging with local agencies.

Making private employee data subject to the California Public Records Act deters effective partnerships with the private sector. AB 2557 requires contractors to provide information about employees and retain records. This private employee data would be accessible to any member of the public via the California Public Records Act (CPRA). Public employee data subject to the CPRA has resulted in data mining for profit, as well as subjecting employees to harassment and threats.

Local agencies are already subject to statutory limitations on contracting. Cities are already subject to the statutory provisions of the Meyers-Milias-Brown Act and related state law provisions. Local agencies cannot contract out work currently performed by bargaining unit employees simply to save money. Most contracting-out decisions are already subject to meet-and-confer requirements. All the issues the bill seeks to address are better addressed at the bargaining table where local conditions can be appropriately considered.

AB 2557 represents a sweeping change to the fundamental work of local governments, but we are unaware of a specific problem that this measure would resolve or prevent. AB 2557 will not improve services, reduce costs, or protect employees. For these reasons, the City of Whittier respectfully **opposes AB 2557**.

Sincerely,



Joe Vinatieri
Mayor

c: Senator Bob Archuleta
Assembly Member Lisa Calderon
Whittier City Council
Kristine Guerrero, Cal Cities
League of California Cities