



**SOUTHERN CALIFORNIA
GRANTMAKERS**

August 1, 2017

The Honorable Ricardo Lara
Chair, Senate Committee on Appropriations
State Capitol
Sacramento, CA 95814

Subject: Assembly Bill 1250 (Jones-Sawyer) – OPPOSE

Dear Senator Lara:

On behalf of more than 300 foundations, funders, and grantmakers of Southern California Grantmakers (SCG), we write to urge your “no” on Assembly Bill 1250 (Jones-Sawyer).

The bill will adversely affect nonprofits and reduce services to vulnerable members of the communities nonprofits serve through contracts with counties. It would have impacts on a county’s ability to support information and referral services, LGBTQ youth services, community-based childcare, homeless services, mental health and crisis intervention services, rehabilitation and reentry services, financial services, and much more.

As written, the bill also will threaten future public-private partnerships between government and philanthropy. SCG has worked effectively with the County of Los Angeles to launch joint initiatives to serve the County’s youth, from LGBTQ-identified youth to foster children. These initiatives have leveraged private philanthropic dollars with public dollars to amplify positive change in our communities. Additionally, philanthropy has also played a pivotal role in raising funds for the legal defense of undocumented immigrants. This bill would effectively prevent such future partnerships from occurring, halting years of progress in our most vulnerable communities.

We are also concerned that the bill imposes unfunded overhead and compliance costs to nonprofits. With Federal budget cuts looming, particularly in the health and human services, the bill’s provisions that the nonprofit pay for performance audits without reimbursements would devastate a sector that is mission-focused, rather than profit-driven. If enacted, these onerous provisions would leave a substantial gap in services for Californians.

Counties across the state partner with hundreds of nonprofits on delivery of critical services, such as health and human services, juvenile justice, domestic violence, immigration matters,

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and more. Counties choose to contract with nonprofits on these services for a number of reasons, including the deep roots, trust and expertise in the needs of specific neighborhoods and populations that can enable them to offer specialized, effective services.

Southern California Grantmakers is the regional association for philanthropists, foundations, funders, and grantmakers working to make a difference in our communities and around the world. As the voice of Southern California philanthropy, we serve as the forum for the exchange of ideas, improve cooperation among foundations, and increase our knowledge of community problems to tackle big issues and achieve shared goals. In 2015, philanthropies contributed nearly \$4 billion to Southern California's economy by supporting important efforts related to LGBTQ organizations, immigrants' rights, foster care youth, homelessness, afterschool programs, and access to healthcare – among many other critical issues.

We join our partners at the United Ways of California, California Association of Nonprofits, and California Association of Food Banks in their concern with this bill. For the reasons stated above, we urge your “no” vote when the bill is heard by the Committee. If you have any questions or comments, please contact Seyron Foo, Director, Public Policy and Government Relations at Southern California Grantmakers at seyron@socalgrantmakers.org or by phone at (213) 680-8866 ext. 221.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Chris Essel". The signature is written in a cursive, flowing style.

Christine Essel
President and CEO

CE:sf