

## Attachment A to STD 399 Economic Impact Statement

Fiscal Impact Statement, Section A, Question 6 and Section B, Question 4.

Regarding the impact on state and local agencies, the Department describes the economic impact below.

With respect to the proposal to add a new data element, the Department anticipates some costs to state and local agencies. Approximately 140 agencies use the Department-hosted Web application to report stop data and thus would not incur any costs with this proposed new data element. The remaining approximately 419 local and state reporting agencies that use their own applications or third-party vendor-hosted applications to collect and report stop data, would incur some costs associated with modifying applications to incorporate this proposed new data element. One such agency, California Highway Patrol, reported in the bill analysis provided by the Senate Appropriations Committee that it estimates costs of approximately \$160,000 for “information technology changes.”

The actual costs that other agencies would incur as a result of this statutory provision’s implementation are unknown. The bill analysis provided by the Senate Appropriations Committee also stated that the costs were “[u]nknown” but “potentially significant.”

Based on the Department’s experience working with agencies since 2017 on RIPA implementation, the Department agrees that actual costs are unknown for a few reasons.

First, the costs may vary depending on when agencies modify their systems to add the proposed data element. Specifically, the Department is working directly with agencies and vendors to modify their applications to incorporate the 2022 amendments, with the goal of completing modification by the end of August 2023. Because agencies would be on notice of the proposed data element as of the date of this document’s publication, they, at a minimum, would be able to consider and implement some changes associated with this proposed new data element as they proceed with the modification of applications to incorporate the 2022 amendments and await OAL approval of this proposed new data element. As such, the Department hopes that the costs specifically associated with this statutory provision would be incremental; however, the Department anticipates that costs would increase if approval of this proposed new data element occurs after the fall of 2023 because agencies would not be able to exactly “align” the modifications of the application to incorporate the 2022 amendments with the modification of the application to incorporate the proposed new data element.

Second, the actual costs that agencies would incur as a result of this statutory provision’s implementation would also vary depending on what type of application agencies use as well as vendor hourly rates and time requirements. While the Department at this time cannot provide an estimate of those costs, the Department can reasonably estimate that the cost would be less than the cost to implement the 2022 amendments, which involve multiple new data elements and data values as well as the re-ordering of one data element, among other changes.

As described in the Initial Statement of Reasons supporting the 2022 amendments, the Department received estimates from private vendors indicating that it would take 12 to 240 hours to make modifications to stop data applications to incorporate the 2022 amendments. One vendor that, at the time, worked with over 180 agencies, indicated that it would not charge its client agencies for costs associated with the 2022 modifications. This same vendor has confirmed that

it would not charge its clients for any changes associated with these proposals. Another vendor indicated that it would charge \$150 an hour for senior developers to work on modifying existing systems to incorporate the 2022 amendments. Those estimated costs would range from \$754,200 to \$15,084,000. But the cost to modify applications to incorporate this one new proposed data element would necessarily be significantly less than that range because this proposed change is a much more straightforward and narrow change than the 2022 amendments.

Third, with respect to the proposed new data element, any costs incurred by both local and state government are mandated by statute, and not created as a result of the proposed regulation. The state is required to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. (Legis. Counsel's Dig., Assem. Bill No. 953, Stats. 2015, ch. 466, pp. 4153-4154.) Section 5 of AB 953 provides: If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. (Stats. 2015, ch. 466, § 5, p. 4159.) Accordingly, costs imposed on local agencies and school districts by this proposed new data element may be reimbursable by operation of AB 953 through the state mandates process.

Finally, the Department offers regular, free training on the regulations to any agency and, to the extent an agency offers its own training, any associated training costs would be negligible as the Department can readily incorporate the changes in its existing POST certified training material.

With respect to the two proposals related to the data value of "Traffic Violation" under "Reason for Stop," the Department determined that the cost associated with modifying systems would be negligible because the proposals would not change, add or re-order any data value. Furthermore, to the extent there is any cost related to adding explanatory parentheticals, that cost would be offset by the cost-savings of streamlining reporting if officers have additional guidance on which secondary data value to choose for a stop involving a traffic violation.

With respect to the proposal to revise the language regarding the release of stop data, the Department determined that there is no associated cost.