

ITEM 14
DRAFT STAFF ANALYSIS
STATEWIDE COST ESTIMATE

Penal Code Section 13519.4

Statutes 2000, Chapter 684

Racial Profiling: Law Enforcement Training
01-TC-01

County of Sacramento, Claimant

EXECUTIVE SUMMARY

The proposed statewide cost estimate includes five fiscal years for a total of **\$9,175,357** for the *Racial Profiling: Law Enforcement Training* program. Following is a breakdown of estimated total costs per fiscal year:

Fiscal Year	Number of Claims Filed with SCO	Estimated Cost
2000-2001	1	\$4,292
2001-2002	10	\$70,053
2002-2003	68	\$2,764,216
2003-2004	95	\$6,210,441
2004-2005	13	\$126,355
TOTAL	187	9,175,357

Summary of the Mandate

This test claim statute prohibits law enforcement officers from engaging in racial profiling and establishes racial profiling training requirements for law enforcement officers, with the curriculum developed by the Commission on Peace Officer Standards and Training (POST).

The Commission on State Mandates (Commission) adopted the Statement of Decision for the *Racial Profiling: Law Enforcement Training* program (01-TC-01). The Commission found that the test claim statute constitutes a new program or higher level of service and imposes a state-mandated program on local agencies within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514 for *up to five hours* of initial racial profiling training for incumbent law enforcement officers under certain conditions.

Statewide Cost Estimate

Staff reviewed the claims data submitted by 100 cities and 18 counties and compiled by the SCO. The actual claims data showed that 187 claims were filed between fiscal years 2000-2001 and 2004-2005 for a total of \$9,175,357. Based on this data, staff made the following assumptions and used the following methodology to develop a statewide cost estimate for this program.

Assumptions

1. *The actual amount claimed for reimbursement may increase if late or amended claims are filed.*
2. *Non-claiming local agencies did not file claims because: (1) they did not incur more than \$1000 in increased costs for this program; (2) did not have supporting documentation to file a reimbursement claim; or (3) did not complete the training within the prescribed time period.*
3. *Claimants will not need to train new peace officers employed after January 1, 2004, under this program, because racial profiling training was included as part of their basic training on that date.*
4. *There is a wide variation in costs among claimants.*
5. *Because of the wide variation in costs claimed, an SCO audit of this program may be conducted.*
6. *The total amount of reimbursement for this program may be lower than the statewide cost estimate, because the SCO may reduce any reimbursement claim for this program.*

Methodology

Fiscal Years 2000-2001 through 2004-2005

The proposed statewide cost estimate for fiscal years 2000-2001 through 2004-2005 was developed by totaling the 187 unaudited actual reimbursement claims filed with the SCO for these years.

No projections for future fiscal years were included because most reimbursement claims for this program were filed between 2000-2001 and 2004-2005.

Staff Recommendation

Staff recommends that the Commission adopt the proposed statewide cost estimate of **\$9,175,357** for costs incurred in complying with the *Racial Profiling: Law Enforcement Training* program.

STAFF ANALYSIS

Summary of the Mandate

This test claim statute prohibits law enforcement officers from engaging in racial profiling and establishes racial profiling training requirements for law enforcement officers, with the curriculum developed by the Commission on Peace Officer Standards and Training (POST).

The Commission on State Mandates (Commission) adopted the Statement of Decision for the *Racial Profiling: Law Enforcement Training* program (01-TC-01). The Commission found that the test claim statute constitutes a new program or higher level of service and imposes a state-mandated program on local agencies within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514.

The Commission further found that Penal Code section 13519.5, subdivision (i), which requires the two-hour refresher racial profiling training, does not impose a reimbursable state-mandated program on local agencies within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514, because it does not impose "costs mandated by the state."

The claimant filed the test claim on August 13, 2001. The Commission adopted a Statement of Decision on October 26, 2006 and the parameters and guidelines on March 28, 2008. Eligible claimants were required to file initial reimbursement claims with the State Controller's Office (SCO) by October 1, 2008, and late claims by October 1, 2009.

Reimbursable Activities

The Commission approved reimbursement for *up to five hours* of initial racial profiling training for incumbent law enforcement officers under the following conditions.

1. the training is provided to incumbent law enforcement officers who completed basic training on or before January 1, 2004;
2. the training is certified by POST;
3. the training is attended during the officer's regular work hours, or training is attended outside the officer's regular work hours *and* there is an obligation imposed by an MOU existing on January 1, 2001, which requires that the local agency pay for continuing education training; and
4. the training causes the officer to exceed his or her 24-hour continuing education requirement, when the two-year continuing education cycle that included the initial five-hour racial profiling training occurs between January 1, 2002 and July 2004, and the continuing education for that cycle was attended *prior to* the initial racial profiling course.

Statewide Cost Estimate

Staff reviewed the claims data submitted by 100 cities and 18 counties and cities and compiled by the SCO. The actual claims data showed that 187 claims were filed between fiscal years 2000-2001 and 2004-2005 for a total of \$9,175,357.¹ Based on this data, staff made the following assumptions and used the following methodology to develop a statewide cost estimate for this program.

¹ Claims data reported as of December 8, 2008.

Assumptions

1. *The actual amount claimed for reimbursement may increase if late or amended claims are filed.*

There are 480 cities and 58 counties in California. Of those, only 118 filed reimbursement claims for this program. If other eligible claimants file reimbursement claims or late or amended claims are filed, the amount of reimbursement claims may exceed the statewide cost estimate.

However, under this program, reimbursement is only authorized for training incumbent peace officers who completed the training between 2002 and 2004. No reimbursement claims have been filed for any fiscal years after 2004-2005. Therefore, it is unlikely that further claims will be filed.

2. *Non-claiming local agencies did not file claims because: (1) they did not incur more than \$1000 in increased costs for this program; (2) did not have supporting documentation to file a reimbursement claim; or (3) did not complete the training within the prescribed time period.*

This program limits reimbursement for incumbent peace officers who complete basic training prior to 2004, and who complete their 24-hour education requirements including racial profiling training, between 2002 and 2004. Therefore, while many local agencies may have provided racial profile training to all of their peace officers, only a limited number of local agencies met these narrow criteria and were eligible for reimbursement for a select number of peace officers.

3. *Claimants will not need to train new peace officers employed after January 1, 2004 under this program, because racial profiling training was included as part of their basic training on that date.*
4. *There is a wide variation in costs among claimants.*

There is a wide variation in costs among claimants. For example, the City of Fairfield with 127 peace officers claimed approximately \$8,000, while the City of Orange, with 167 peace officers, claimed almost \$60,000. Following is a table showing a sample of claimants and their claimed amounts:

Table 1. COMPARISON OF COSTS CLAIMED

City or County	Number of Peace Officers Employed	Amount of Reimbursement Claim
City of Fairfield	127	\$8,041
City of Orange	162	\$59,928
City of Los Angeles	9,538	\$3,817,668
County of Los Angeles	9,278	\$1,569,364
City of Corona	181	\$9,199
City of Hayward	194	\$41,388
County of Santa Barbara	309	\$59,570
County of San Joaquin	296	\$94,195

The amount claimed for reimbursement varied among claimants with like numbers of peace officers because:

- Claimants had varying numbers of peace officers who completed the training prior to 2004.
 - Claimants had varying numbers of peace officers who completed their continuing education requirements between 2002 and 2004.
 - According to claimant representatives, some claimants chose not to train all peace officers.
5. *Because of the wide variation in costs claimed, an SCO audit of this program may be conducted.*
6. *The total amount of reimbursement for this program may be lower than the statewide cost estimate, because the SCO may reduce any reimbursement claim for this program.*

If the SCO audits this program and deems any reimbursement claim to be excessive or unreasonable, it may be reduced.

Methodology

Fiscal Years 2000-2001 through 2004-2005

The proposed statewide cost estimate for fiscal years 2000-2001 through 2004-2005 was developed by totaling the 187 unaudited actual reimbursement claims filed with the SCO for these years.

No projections for future fiscal years were included because this program should have been completed on or before fiscal year 2004-2005.

The proposed statewide cost estimate includes five fiscal years for a total of \$9,175,357. This averages to \$1,835,071 annually in costs for the state for this five-year period. Following is a breakdown of estimated total costs per fiscal year:

**TABLE 2. BREAKDOWN OF ESTIMATED
TOTAL COSTS PER FISCAL YEAR**

Fiscal Year	Number of Claims Filed with SCO	Estimated Cost
2000-2001	1	\$4,292
2001-2002	10	\$70,053
2002-2003	68	\$2,764,216
2003-2004	95	\$6,210,441
2004-2005	13	\$126,355
TOTAL	187	9,175,357

Comments on Draft Staff Analysis

Department of Finance submitted comments on March 10, 2009, concurring with the draft staff analysis.²

² Exhibit A.

Staff Recommendation

Staff recommends that the Commission adopt the proposed statewide cost estimate of \$9,175,357 for costs incurred in complying with the *Racial Profiling: Law Enforcement Training* program.

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DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

RECEIVED

March 10, 2009

MAR 10 2009

**COMMISSION ON
STATE MANDATES**

Ms. Paula Higashi
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Dear Ms. Higashi:

As requested in your letter of February 18, 2009, the Department of Finance (Finance) has reviewed the proposed statewide cost estimate for Claim No. CSM-01-TC-01 "Racial Profiling: Law Enforcement Training."

Finance concurs with the Commission on State Mandates' (Commission's) recommendation to adopt the statewide cost estimate of \$9.2 million for fiscal years 2000-01 through 2004-05. As noted in the Commission's analysis, the actual costs may be higher or lower based on audit findings or the submittal of amended or late claims. No projections for fiscal years after 2004-05 are included as the mandate should have been completed on or before fiscal year 2004-05.

As required by the Commission's regulations, a "Proof of Service" has been enclosed indicating that the parties included on the mailing list which accompanied your February 18, 2009 letter have been provided with copies of this letter via either United States Mail or, in the case of other state agencies, Interagency Mail Service.

If you have any questions regarding this letter, please contact Carla Castañeda, Principal Program Budget Analyst at (916) 445-3274.

Sincerely,

Diana L. Ducay
Program Budget Manager

Enclosure

Attachment A

DECLARATION OF CARLA CASTAÑEDA
DEPARTMENT OF FINANCE
CLAIM NO. CSM-01-TC-01

1. I am currently employed by the State of California, Department of Finance (Finance), am familiar with the duties of Finance, and am authorized to make this declaration on behalf of Finance.

I certify under penalty of perjury that the facts set forth in the foregoing are true and correct of my own knowledge except as to the matters therein stated as information or belief and, as to those matters, I believe them to be true.

Maul 10, 2009
at Sacramento, CA

Carla Castañeda
Carla Castañeda

PROOF OF SERVICE

Test Claim Name: Racial Profiling: Law Enforcement Training
Test Claim Number: CSM-01-TC-01

I, the undersigned, declare as follows:

I am employed in the County of Sacramento, State of California, I am 18 years of age or older and not a party to the within entitled cause; my business address is 915 L Street, 12th Floor, Sacramento, CA 95814.

On 3/10/2009, I served the attached recommendation of the Department of Finance in said cause, by facsimile to the Commission on State Mandates and by placing a true copy thereof: (1) to claimants and nonstate agencies enclosed in a sealed envelope with postage thereon fully prepaid in the United States Mail at Sacramento, California; and (2) to state agencies in the normal pickup location at 915 L Street, 12th Floor, for Interagency Mail Service, addressed as follows:

A-16
Ms. Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
Facsimile No. 445-0278

B-08
Mr. Jim Spano
State Controller's Office
Division of Audits
300 Capitol Mall, Suite 518
Sacramento, CA 95814

Ms. Jean Kinney Hurst
California State Association of Counties
1100 K Street, Suite 101
Sacramento, CA 95814-3941

A-15
Ms. Susan Geanacou
Department of Finance
915 L Street, Suite 1280
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Mr. Dan Metzler
Sacramento County Sheriff's Department
711 G Street
Sacramento, CA 95814

Mr. David Wellhouse
David Wellhouse & Associates, Inc.
9175 Kiefer Boulevard, Suite 121
Sacramento, CA 95826

Mr. Allan Burdick
MAXIMUS
3130 Kilgore Road, Suite 400
Rancho Cordova, CA 95670

Mr. Leonard Kaye
County of Los Angeles
Auditor - Controller's Office
500 West Temple Street, Room 603
Los Angeles, CA 90012

A-15
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Department of Finance
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Mr. Dick Reed
Peace Officer Standards and Training
Administrative Services Division
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Sacramento, CA 95816-7083

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Mr. Glen Everroad
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MAXIMUS
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Ms. Donna Ferebee
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B-29
Ms. Marianne O'Malley
Legislative Analyst's Office
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E-24
Mr. Dan Rabovsky, Assembly Budget
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California State Assembly
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B-08
Ms. Ginny Brummels
State Controller's Office
Division of Accounting & Reporting
3301 C Street, Suite 500
Sacramento, CA 95816

Mr. Keith B. Peterson
SixTen & Associates
3841 North Freeway Boulevard, Suite 170
Sacramento, CA 95834

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on 3/10/2009 at Sacramento, California.



Kelly Montelongo