

## Agency Response to Economic Impact Analysis

6 VAC 20-230

### Regulations Relating to Special Conservators of the Peace

The Department of Criminal Justice Services concurs generally with the Economic Impact Analysis (EIA) of the Department of Planning and Budget on the proposed Regulations Relating to Special Conservators of the Peace with two exceptions:

1. **Estimated Economic Impact:** It states in the second paragraph of this section that "... the proposed insurance coverage will likely cost individual SCOPs or their employers in the range of \$2,500 to \$25,000 *per SCOP* per year."

Agency Response: Insurance premium costs normally follow a tiered system based on risk and other business factors. Potential costs for private businesses employing SCOPs *could* range from \$2,500.00 to \$25,000 a year based on annual payroll, revenues, operational risk and history of the business. Risk varies by the type of SCOP activities the business employees are engaged in, in addition to the above mentioned factors. *This estimated range is the potential total cost to a business employing SCOPs, not the potential cost to individual SCOPs.*

2. **Localities Particularly Affected:** EIA position – "Localities that employ SCOPs will be particularly affected as increasing insurance requirements, and the elimination of the surety bond alternative, will likely increase the cost of employing these individuals."

Agency Response:

Only five of 35 localities employing SCOPs use surety bonds to cover their SCOPs, for a total of 11 SCOPs. These localities will be required to provide DCJS with a copy of their self-insured or risk management policy demonstrating professional law-enforcement liability coverage.

The majority of the cities, towns and counties utilizing Special Conservators of the Peace are covered by the Virginia Division of Risk Management, are members of the Virginia Municipal League Insurance Programs, or are self-insured; all of these programs provide professional law-enforcement liability insurance coverage for individuals with arrest powers. Furthermore, all localities maintaining sheriff's offices or police departments are covered with law-enforcement liability insurance that exceeds the minimum amount proposed for Special Conservators of the Peace, as the industry standard for individuals with arrest powers is \$1,000,000. Therefore, this regulation should have minimal, if any, additional fiscal impact on localities.