

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1878 (Patel) – As Amended March 11, 2026

Policy Committee: Judiciary

Vote: 12 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill requires state agencies, boards, and commissions that collect demographic data on race or ethnicity to collect and publish data using expanded detailed categories, and tasks the Office of Data and Innovation (ODI) with overseeing implementation and standardizing demographic data collection across state entities.

Specifically, this bill:

- 1) Applies the requirements to administrative and survey data collections with full compliance required no later than January 1, 2029.
- 2) Requires each covered agency to submit an annual compliance report to the Legislature and the Assembly Committee on Governmental Organization beginning January 1, 2028.
- 3) Requires ODI and the Chief Data Officer to oversee implementation, organize quarterly consultative meetings with subject-matter experts, convene an interagency working group, standardize statewide collection practices, and ensure all state agencies adopt the same standard for race and ethnicity categories.
- 4) Requires data collected under the bill to be made publicly available except for personal identifying information, and prohibits disclosure of personal identifying information to a federal agency unless expressly required by federal law.

FISCAL EFFECT:

- 1) Significant one-time and ongoing costs to ODI (General Fund). ODI projects a total annual cost of approximately \$2 million. This includes \$1.65 million in ongoing personnel costs for 10 new permanent full-time positions, as well as an additional \$350,000 in contracting dollars to support user testing, research studies, and large-scale statistical surveys. Ongoing annual costs are driven by these functions:
 - a) Statewide implementation oversight.
 - b) Compliance monitoring and evaluation.
 - c) Technical assistance and training.
 - d) Data standardization and governance.

- e) Interagency coordination and stakeholder engagement.
- f) Privacy, confidentiality, and data protection.

ODI anticipates additional, unknown costs for expanded data infrastructure, reporting systems, and tools required to support statewide implementation and compliance tracking.

- 2) Costs (General Fund, special funds) of an unknown but potentially significant amount for compliance by qualifying state agencies, possibly in the millions of dollars. Actual costs will depend on how different current data collection practices are from this bill's requirements, but qualifying agencies will likely incur costs to revise data collection methods, update computer processing systems, and publicly disseminate the collected data, plus additional staff time to comply with the bill's annual reporting requirements. The California Civil Rights Department, for its part, anticipates requesting approximately \$730,000 in FY 2027-2028 and ongoing to implement AB 1878, including making changes to its intake forms and IT systems; translating new forms; cleaning and anonymizing data; purchasing new software licenses; ensuring ongoing compliance with state and federal standards for data collection and management; and creating and submitting an annual report.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year beginning in the 2027-28 fiscal year.

COMMENTS:

- 1) **Purpose.** According to the author:

California has spent decades building the case for data disaggregation, passing bill after bill to expand what agencies collect and for whom. The returns on these efforts have not been fully realized, however.

[...]

AB 1878 builds the infrastructure California has been working toward but never fully constructed. It standardizes detailed data collection across every agency already collecting demographic data, raising the floor statewide and enabling the cross-agency comparisons that siloed mandates never could. It centralizes these efforts through ODI—the office that developed the California Data Standard this bill references—giving agencies shared standards, technical assistance, and a single point of accountability.

- 2) **Background.** Existing law requires certain state entities to collect disaggregated demographic data across specified Asian, Pacific Islander, Middle Eastern, North African, and Black or African American subgroups, with varying scopes and effective dates. The federal Office of Management and Budget's 2024 revisions to Statistical Policy Directive No. 15 (SPD 15) established updated minimum categories and detailed subcategories for federal race and ethnicity data. ODI, established within the Government Operations Agency in 2023, has published the California Data Standard and related guidance but currently lacks explicit statutory authority to compel agency adoption of uniform demographic data collection practices. This bill extends disaggregated data collection requirements to any state

agency, board, or commission that collects demographic race or ethnicity data — directly or by contract — and requires compliance with ODI guidance and federal SPD 15 standards. It authorizes ODI to exempt specific data collections upon a substantial-evidence showing that administrative burden outweighs benefit.

The minimum federal SPD 15 categories at the top level (Asian, Black or African American, Hispanic or Latino, Middle Eastern or North African, Native Hawaiian or Pacific Islander, White, American Indian or Alaska Native) are already required under existing state and federal law and are not changing under this bill. The bill's incremental scope is concentrated in three areas: standardizing subcategory disaggregation — currently required of select agencies (e.g., CDPH, CDCR, employment-related agencies) — across all state agencies that collect demographic data; adopting write-in fields across multiple racial and ethnic groups; and implementing a smaller set of California-specific additions drawn from ODI's California Data Standard beyond what federal SPD 15 already requires. For agencies that interact with the federal government and already report under SPD 15, the incremental burden of this bill will likely be the standardization and reporting overhead rather than the underlying data collection.

- 3) **Related Legislation.** AB 1186 (Patel, 2025) would establish the position of Chief Statistician of California (CSC) within the Department of Finance's Demographic Research Unit and require the CSC to standardize demographic data collection by state agencies. The bill was held on this committee's suspense file.
- 4) **Prior Legislation.** AB 91 (Harabedian), Chapter 357, Statutes of 2025, added Middle Eastern or North African (MENA) as the seventh minimum demographic category and required all state and local agencies to collect MENA information beginning January 1, 2028.

SB 1016 (Gonzalez), Chapter 873, Statutes of 2024, required the State Department of Public Health to disaggregate health data for Latino and indigenous communities.

AB 1726 (Bonta), Chapter 607, Statutes of 2016, required the Department of Industrial Relations, the Civil Rights Department, and the State Department of Public Health to collect disaggregated data for specified Asian groups and Pacific Islander groups.

AB 1088 (Eng), Chapter 689, Statutes of 2011, required all state agencies to collect detailed Asian subgroups and Native Hawaiian or Pacific Islander subgroups.

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