REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

October 8, 2019

FROM JASON ANDERSON, District Attorney

SUBJECT

Grant Award Agreement for the San Bernardino County Automobile Insurance Fraud Prosecution Program

RECOMMENDATION(S)

- 1. Approve Grant Award **Agreement No. 19-670** with the California Insurance Commissioner to accept \$722,958 to fund the investigation and prosecution of automobile insurance fraud cases in San Bernardino County for the period of July 1, 2019 through June 30, 2020.
- 2. Adopt **Resolution No. 2019-154**, as required by the California Department of Insurance, approving the Grant Award Agreement and authorizing the District Attorney to execute all documents and non-substantive amendments in relation to the acceptance of this Grant Award Agreement, subject to review by County Counsel.
- 3. Direct the District Attorney to transmit all Grant Award Agreement documents, including any non-substantive amendments, to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Michael Fermin, Assistant District Attorney, 382-3662)

<u>COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES</u> Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the need for additional Discretionary General Funding (Net County Cost). The \$722,958 grant award will be used to fund 1.0 Deputy District Attorney, 2.0 District Attorney Senior Investigators, and 1.0 Secretary I assigned to the County's Automobile Insurance Fraud Prosecution Program (Program). Revenue and appropriation for this program are included in the District Attorney's 2019-20 budget. Funds assessed annually against insurers, in the amount of \$1.00 for each insured vehicle, provide the funding for this grant, and no matching funds are required.

BACKGROUND INFORMATION

The California Insurance Commissioner, as authorized by Section 1872.8 of the California Insurance Code and California Code of Regulations, Title 10, Section 2698.65, annually distributes grant funds to agencies statewide for the purpose of investigating and prosecuting automobile insurance fraud cases. The San Bernardino County District Attorney's Office (Department) has been receiving funds for this purpose since 1991. In addition to keeping the public safe, the Department's prosecution of automobile insurance fraud often results in reduced insurance claim payments and a commensurate decrease in automobile insurance premiums for County residents.

On June 11, 2019 (Item No. 28), the Board of Supervisors (Board) authorized the District Attorney to submit a grant application to the California Insurance Commissioner requesting Program funding for the period of July 1, 2019 through June 30, 2020. On September 5, 2019, the Department received notification from the California Insurance Commissioner of the County's grant ward in the amount of \$722,958 for the period of July 1, 2019 through June 30, 2020. Approval of the grant award by the Board at this time will have no impact on the Department's grant related services and activities.

The State of California, Department of Insurance requires a resolution from the Board approving the Grant Award Agreement and authorizing the District Attorney to sign the agreement. The October 4, 2019 date to return the signed Grant Award Agreement has been extended to October 11, 2019 to ensure adequate time to obtain Board approval.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Katherine Hardy, Deputy County Counsel, 387-5437) on September 17, 2019; Finance (Carl Lofton, Finance Analyst, 387-5404) on September 20, 2019; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-5423) on September 23, 2019.

Grant Award Agreement for the San Bernardino County Automobile Insurance Fraud Prosecution Program October 8, 2019

Record of Action of the Board of Supervisors County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Robert A. Lovingood Seconded: Janice Rutherford Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

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DATED: October 8, 2019



cc: DA- Walker w/agree Contractor c/o DA w/agree File- w/agree

vh 10/9/2019