

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

December 16, 2025

FROM

JASON ANDERSON, District Attorney

SUBJECT

Grant Award Agreement with the Insurance Commissioner of the California Department of Insurance for the Automobile Insurance Fraud Prosecution Program

RECOMMENDATION(S)

1. Approve Grant Award **Agreement No. 25-934** with the Insurance Commissioner of the California Department of Insurance to accept \$1,167,829 to fund the investigation and prosecution of automobile insurance fraud and economic car theft cases in San Bernardino County, for the period of July 1, 2025, through June 30, 2026.
2. Authorize the Chief Deputy District Attorney to electronically sign and submit the Grant Award Agreement and any subsequent non-substantive amendments to the agreement, subject to review by County Counsel.
3. Adopt **Resolution No. 25-234**, as required by the California Department of Insurance, approving the Grant Award Agreement and authorizing the Chief Deputy District Attorney to electronically sign and submit all documents, as required by the California Department of Insurance, and any subsequent non-substantive amendments to the Grant Award Agreement, subject to review by County Counsel.
4. Approve appropriation and revenue adjustments in the amount of \$355,701 for the funds awarded in excess of the funds included in the District Attorney's 2025-26 budget and authorize the Auditor-Controller/Treasurer/Tax Collector to post the necessary budget adjustments, as detailed in the Financial Impact section (Four votes required).
5. Direct the Chief Deputy District Attorney to transmit the Grant Award Agreement and any subsequent non-substantive amendments to the Clerk of the Board of Supervisors within 30 days of execution.

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

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The \$1,167,829 grant award from the Insurance Commissioner of the California Department of Insurance (Insurance Commissioner) will be allocated to maintain support for the following existing positions assigned to the County's Automobile Insurance Fraud Prosecution Program (Program): one Deputy District Attorney IV, two District Attorney Senior Investigators, and one Administrative Assistant I.

**Grant Award Agreement with the Insurance Commissioner of the
California Department of Insurance for the Automobile Insurance Fraud
Prosecution Program
December 16, 2025**

The Program does not provide sufficient funding for a Paralegal position. Therefore, the District Attorney (Department) will fund 25% of salary and benefit costs of a paralegal position for a corresponding amount of support for the Program. The paralegal position was approved by the Board of Supervisors (Board) on September 23, 2025 (Item No. 48) and funded at 75% from the Workers' Compensation Insurance Fraud Program. The paralegal position will be included in future recommended budgets.

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.

The budget adjustment is needed due to a timing difference between the amount budgeted during the 2025-26 annual budget development and the award amount received. The Department initially projected receiving the same award amount as in the 2024-25 grant cycle of \$812,128. However, the award amount for the 2025-26 grant cycle is \$1,167,829. The net increase of the grant award is \$355,701.

| Funds Center | Commitment Item | Description | Action | Amount |
|---------------------|------------------------|---|---------------|---------------|
| 4500002670 | 40408955 | State – Grants | Increase | \$355,701 |
| 4500002670 | 55405010 | Salaries & Benefits Transfers Out | Increase | \$241,672 |
| 4500002670 | 55405012 | Services & Supplies Transfers Out | Increase | \$114,029 |
| 4500001000 | 55415011 | Salaries & Benefits Transfers In | Increase | \$241,672 |
| 4500001000 | 55415013 | Services & Supplies Transfers In | Increase | \$114,029 |
| 4500001000 | 51001010 | Regular Salaries | Increase | \$241,672 |
| 4500001000 | 52002445 | Other Professional & Specialized Services | Increase | \$102,115 |
| 4500001000 | 52942940 | Private Mileage Non-Taxable | Increase | \$11,914 |

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 Department has been receiving funds for this purpose since 1991.

The Department of Insurance (DOI) relies heavily on local law enforcement agencies to investigate and prosecute insurance fraud. Because DOI has a high-level overview and responsibility of setting the rates paid by those insured, it is vested in investigating and prosecuting fraud to prevent costs from unfairly increasing. DOI refers cases directly to the Department for investigation and prosecution, in addition to cases received from local police departments.

On August 5, 2025 (Item No. 39), the Board authorized the Department to submit a grant application to the California Insurance Commissioner requesting Program funding for the period of July 1, 2025, through June 30, 2026. On October 13, 2025, the Department received notification from the California Insurance Commissioner of the County's grant award in the amount of \$1,167,829 for the period July 1, 2025, through June 30, 2026.

**Grant Award Agreement with the Insurance Commissioner of the
California Department of Insurance for the Automobile Insurance Fraud
Prosecution Program
December 16, 2025**

On October 21, 2025 the Department received notification that the Grant Award Agreement would come from their online Grant Management System and would require electronic signature via DocuSign on October 22, 2025, which would be due on November 21, 2025. The date to return the electronically signed Grant Award Agreement has been extended to December 19, 2025 to ensure adequate time to obtain Board approval.

This item is being presented at this time, as it is the first available date following required operational, fiscal and legal review. 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 the Resolution from the Board approving the Grand Award Agreement and authorizing the Chief Deputy District Attorney to electronically sign the agreement.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Daniella Hernandez, Deputy County Counsel, 387-3121) on November 10, 2025; Auditor-Controller /Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on November 13, 2025; and County Finance and Administration (Elias Duenas, Administrative Analyst, 387-4052) on November 19, 2025.

**Grant Award Agreement with the Insurance Commissioner of the
California Department of Insurance for the Automobile Insurance Fraud
Prosecution Program
December 16, 2025**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Jesse Armendarez
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Curt Hagman, Joe Baca, Jr.
Absent: Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

BY Lynna Monell

DATED: December 16, 2025



cc: DA - Walker w/agree for sign
Contractor - c/o DA w/agree
File - w/agree
MBA 12/17/2025