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

August 5, 2025

#### **FROM**

**JASON ANDERSON, District Attorney** 

#### **SUBJECT**

Grant Application for the 2025-26 San Bernardino County Automobile Insurance Fraud Prosecution Program

#### RECOMMENDATION(S)

- 1. Ratify the submission of the grant application by the Chief Deputy District Attorney to the California Insurance Commissioner, including the Joint Investigative Plan between the Inland Empire Fraud Division Regional Office and the San Bernardino County District Attorney's Office, for the San Bernardino County Automobile Insurance Fraud Program, in the amount of \$1,167,829, for the period of July 1, 2025 through June 30, 2026.
- 2. Adopt **Resolution No. 2025-168**, as required by the California Insurance Commissioner, authorizing the Chief Deputy District Attorney to execute and electronically submit the grant application referenced in Recommendation No. 1 and all related documents, including any subsequent non-substantive amendments, subject to review by County Counsel.
- 3. Direct the Chief Deputy District Attorney to transmit any 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**

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

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

#### FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The costs of the County's Automobile Insurance Fraud Prosecution Program (Program) are fully funded by the grant, and matching funds are not required. The \$1,167,829 requested for fiscal year 2025-26 will be used to fund existing staff and the addition of 0.25 full time employee (FTE) Paralegal, which will be shared with the County's Workers' Compensation Insurance Fraud Program which is funded by the California Department of Insurance. The District Attorney's Office (Department) 2025-26 budget includes \$812,128 from this grant, based on the actual award received in 2024-25. Once awarded, the Department will return to the Board of Supervisors (Board) for award acceptance and any necessary budget adjustments.

#### **BACKGROUND INFORMATION**

Section 1872.8 of the California Insurance Code and California Code of Regulations, Title 10, Chapter 5, Subchapter 9, Article 4, Section 2698.65 authorize the California Insurance Commissioner to distribute funds assessed against insurers to agencies statewide for the investigation and prosecution of automobile insurance fraud cases. Since 1991, San Bernardino

### Grant Application for the 2025-26 San Bernardino County Automobile Insurance Fraud Prosecution Program August 5, 2025

County has received grant funding from the State for this purpose. Approval of the recommended actions will allow the Department to seek continued Program funding for fiscal year 2025-26. The prosecution of automobile insurance fraud often results in reduced insurance claims payments and a commensurate decrease in automobile insurance premiums for County residents.

The California Insurance Commissioner notified all participating agencies statewide that the due date to submit a grant application for the Program would be June 25, 2025. However, it is a requirement that the grant application include statistical case information through mid-June. The last Board meeting in June was scheduled for June 18, 2025, which occurred before the statistical case information was finalized. As no Board meeting was scheduled for July, this meeting is the first opportunity to present the item following the application's submittal. The Department of Insurance does not allow extensions for grant application submittals. Therefore, the Department seeks retroactive approval of the submitted grant application.

Since 2012 the Department has had the same Program staffing and is requesting the addition of 0.25 FTE Paralegal, to be shared with another Department of Insurance funded program. If awarded, this grant will fund the salaries and benefits of one FTE Deputy District Attorney, two FTE District Attorney Senior Investigators, one FTE Administrative Assistant, 0.25 FTE Paralegal, and all operating costs necessary to operate the Program. The grant application requirements do not include any significant operational changes to the Department.

The State of California, Department of Insurance requires the Resolution from the Board authorizing the Chief Deputy District Attorney to electronically submit the application.

#### **PROCUREMENT**

N/A

#### **REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Daniella Hernandez, Deputy County Counsel, 387-5455) on July 11, 2025; and County Finance and Administration (Kathleen Gonzalez, Administrative Analyst, 387-5412) on July 15, 2025.

## Grant Application for the 2025-26 San Bernardino County Automobile Insurance Fraud Prosecution Program August 5, 2025

Record of Action of the Board of Supervisors San Bernardino County

### **APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

DATED: August 5, 2025

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cc: File - District Attorney w/app w/reso

MBA 08/7/2025