

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

December 17, 2024

**FROM**

**JASON ANDERSON, District Attorney**

**SUBJECT**

Grant Award Agreement with the Insurance Commissioner of the State of California for the Organized Automobile Fraud Activity Interdiction Program

**RECOMMENDATION(S)**

1. Approve Grant Award **Agreement No. 24-1247** with the Insurance Commissioner of the State of California to accept \$497,031 for the prosecution and elimination of organized automobile insurance fraud activity in San Bernardino County, for the period of July 1, 2024 through June 30, 2025.
2. Authorize the Chief Deputy District Attorney to electronically sign and submit the grant award agreement and any subsequent non-substantive amendments to the Grant Award Agreement, subject to review by County Counsel.
3. Adopt **Resolution No. 2024-173**, 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 and any subsequent non-substantive amendments to the Grant Award Agreement, subject to review by County Counsel.
4. Approve appropriation and revenue adjustments of \$42,761 for the funds awarded in excess of the funds included in the District Attorney's 2024-25 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.**

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

**FINANCIAL IMPACT**

Approval of this item will not result in the need for additional Discretionary General Funding (Net County Cost). This grant will allocate \$497,031 from the Insurance Commissioner of the State of California to support the following existing positions within the County's Organized Automobile Fraud Activity Interdiction Program (Program): one Deputy District Attorney IV and one District Attorney Senior Investigator . The funding source for this grant comes from annual assessments levied against insurers, amounting to \$0.560 per insured vehicle. No matching funds are required.

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The budget adjustment is needed due to a difference between the amount budgeted during the 2024-25 annual budget development and the award amount received. The District Attorney (Department) initially projected receiving the same award as in the grant cycle 2023-24 of \$454,270. However, the award amount for the 2024-2025 grant cycle is \$497,031. The net increase of the grant award is \$42,761.

<b>Funds Center</b>	<b>Commitment Item</b>	<b>Description</b>	<b>Action</b>	<b>Amount</b>
4500002754	40408955	State - Grants	Increase	\$42,761
4500002754	55405010	Salaries & Benefits Transfers Out	Increase	\$42,761
4500001000	55415011	Salaries & Benefits Transfers In	Increase	\$42,761
4500001000	51001010	Regular Salaries	Increase	\$42,761

**BACKGROUND INFORMATION**

Under the direction of the Insurance Commissioner of the State of California and pursuant to California Insurance Code Section 1874.8, the California Department of Insurance (CDI) administers the Program. In accordance with the direction provided in Insurance Code 1874.8(b)(3), the Department is a member of the Urban Grant Task Force, created in 2000, consisting of investigators from the Department, Riverside County District Attorney, Department of Insurance and California Highway Patrol. This successful collaboration has resulted in the investigation and prosecution of several large-scale fraud schemes in the County.

Since approval by the Board of Supervisors (Board) on December 19, 2000 (Item No. 64), CDI has distributed grant funds to district attorneys statewide for the purpose of investigating and prosecuting organized automobile fraud throughout the Inland Empire. The Department of Insurance (DOI) relies heavily on local law enforcement agencies to investigate and prosecute insurance fraud. The DOI, responsible for overseeing and setting insurance rates, is dedicated to investigating and prosecuting fraud to prevent unfair cost increases for those insured. DOI refers cases directly to the Department for investigation and prosecution in addition to cases that are received directly from local police departments. The acceptance of this grant aligns with the goal of providing for the safety of County residents by assisting the Department in funding the prosecution and elimination of these crimes.

On June 25, 2024 (Item No. 61), the Board authorized the Department to submit a grant application to the California Insurance Commissioner requesting funding for the Program for a three-year period effective July 1, 2024, through June 30, 2027. This is a three-year grant cycle, but the Department receives the official award notice on an annual basis, which is taken to the Board for approval. On September 6, 2024, the Department received notification from the California Insurance Commissioner of the County's grant award in the amount of \$497,031 for the period of July 1, 2024 through June 30, 2025.

On November 14, 2024, the Department received notification that the Grant Award Agreement would come from their online Grants Management System and would require electronic signature via DocuSign on November 15, 2024, which would be due on December 6, 2024. The date to return the electronically signed Grant Award Agreement has been extended to December 31, 2024 to ensure adequate time to obtain Board approval.

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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 DOI requires the Resolution from the Board approving the Grant 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 22, 2024; Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on November 22, 2024; Finance (Kathleen Gonzalez, Finance Analyst, 387-5412) on November 26, 2024; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on December 2, 2024.

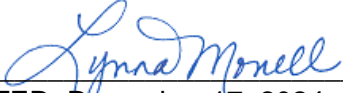
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of California for the Organized Automobile Fraud Activity Interdiction  
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: December 17, 2024



cc: DA - Walker w/agree for sign  
Contractor - c/o DA w/agree  
File - w/agree  
MBA 12/17/2024