

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

June 25, 2024

**FROM**

**JASON ANDERSON, District Attorney**

**SUBJECT**

Grant Application for the Organized Automobile Insurance Fraud Interdiction Program

**RECOMMENDATION(S)**

1. Approve grant application with the California Insurance Commissioner for the Organized Automobile Insurance Fraud Activity Interdiction Program, in the amount of \$2,245,430, for the period of July 1, 2024 through June 30, 2027.
2. Approve the **Memorandum of Understanding No. 24-490** with the County of Riverside, the California Department of Insurance Fraud Division, and the California Highway Patrol for the Organized Automobile Insurance Fraud Activity Interdiction Program, as required by the California Insurance Commissioner.
3. Adopt **Resolution No. 2024-86** authorizing the following:
  - a. The Chief Deputy District Attorney, on behalf of the Board of Supervisors, to electronically sign and submit the grant application, as required by the California Insurance Commissioner, and any subsequent non-substantive amendments, subject to review by County Counsel; and
  - b. The Chief Deputy District Attorney, on behalf of the Board of Supervisors, to sign and submit with the grant application and the Memorandum of Understanding with the County of Riverside, the California Department of Insurance Fraud Division, and the California Highway Patrol.
4. Direct the Chief Deputy District Attorney to transmit a copy of the grant application, any non-substantive amendments to the grant application, and the Memorandum of Understanding 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 need for additional Discretionary General Funding (Net County Cost). There is no local match required for this grant. The grant application of \$2,245,430 is for the costs of the San Bernardino County's (County) Organized Automobile Insurance Fraud Activity Interdiction Program (Program) over a three-year period (\$728,833 for 2024-25; \$745,635 for 2025-26, and \$770,962 for 2026-27). Specifically, this grant would fund the costs of one Deputy District Attorney, one Senior Investigator, and a Paralegal assigned to the Program to provide partial support, and any related operating expenses. The San Bernardino County District Attorney's Office (Department) 2024-25 budget includes \$454,270 in

**Grant Application for the Organized Automobile Insurance Fraud  
Interdiction Program  
June 25, 2024**

revenue from this grant based on the prior year award amount. If awarded, the Department will submit a future item to the Board of Supervisors (Board) to accept the grant funds and request any necessary budgetary adjustments at that time.

**BACKGROUND INFORMATION**

Under the direction of the Insurance Commissioner and per California Insurance Code Section 1874.8, the California Department of Insurance (CDI) administers the Organized Automobile Insurance Fraud Activity Interdiction Program. In accordance with this Program, CDI distributes grant funds to district attorneys statewide for the purpose of investigating and prosecuting organized automobile fraud. This type of fraud activity often represents a significant portion of all fraud-related automobile insurance cases. The grant funds being sought will assist the Department in the investigation and prosecution of organized automobile fraud and help protect county residents from these crimes.

The grant application requires a Memorandum of Understanding (MOU) with the County of Riverside, the CDI Fraud Division, and the California Highway Patrol for a coordinated effort aimed at the investigation and prosecution of organized automobile insurance fraud activity. Cases referred for filing by the CDI will be prosecuted in the appropriate county. The MOU creates the framework for effective communication, coordination and resource management in the investigation and prosecution of organized automobile insurance fraud activity. Since 2000, San Bernardino and Riverside Counties have received grant funding for this Program and have had a MOU with the aforementioned partners over this same period of time.

The California Insurance Commissioner sent notice to all participating agencies statewide that the due date to submit a grant application for the program would be July 3, 2024. A copy of the application and the MOU will be filed with the Clerk of the Board of Supervisors within 30 days of execution. Board approval of this item and the related resolution are necessary as the grant application requires both.

**PROCUREMENT**

N/A

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Richard Luczak, Deputy County Counsel, 387-5455) on May 16, 2024; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on May 22, 2024; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on May 22, 2024.

**Grant Application for the Organized Automobile Insurance Fraud  
Interdiction Program  
June 25, 2024**

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: June 25, 2024



cc:    DA - Walker w/agree  
      Contractor - c/o DA w/agree  
      File - w/agree  
CCM  06/25/2024