

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

June 23, 2020

FROM

JASON ANDERSON, District Attorney

SUBJECT

Grant Application to the California Insurance Commissioner for the 2020-21 San Bernardino County Automobile Insurance Fraud Prosecution Program

RECOMMENDATION(S)

1. Authorize submission of a grant application to the California Insurance Commissioner in the amount of \$882,925 for the San Bernardino County Automobile Insurance Fraud program to investigate and prosecute cases for the period of July 1, 2020 through June 30, 2021¹⁰.
2. Adopt Resolution authorizing the District Attorney to sign and submit the grant application, as required by the California Insurance Commissioner, subject to review by County Counsel, including any subsequent non-substantive amendments.
3. Direct the District Attorney to transmit all documents in relation to this grant application to the Clerk of the Board of Supervisors within 30 days of execution.
(Presenter: Michael Fermin, 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.

FINANCIAL IMPACT

Approval of this item will not result in the need for additional Discretionary General Funding (Net County Cost). The requested grant amount of \$882,925 will be used to fund the County's 2020-21 Automobile Insurance Fraud Prosecution Program (Program) including the following staffing: one Deputy District Attorney, two District Attorney Investigators, and one Secretary I. The District Attorney's Office (Department) 2020-21 Recommended Budget includes \$722,958 in anticipated revenue from this grant, based on the actual award received in 2019-20. Should a different amount ultimately be awarded for 2020-21, the Department will include a budgetary adjustment for approval by the Board of Supervisors (Board) at that time.

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 authorizes the California Insurance Commissioner to annually distribute funds assessed against insurers for the investigation and prosecution of automobile insurance fraud cases. Since 1991, San Bernardino 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 2020-21. 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 sent notice to all participating agencies statewide that the due date to submit a grant application for the Program would be July 8, 2020. Due to the requirement to include statistical information through mid-June 2019, the Department anticipates

that the final application will not be completed until June 29, 2020. After completion, and with the Board's authorization provided in this item, the District Attorney will sign and submit the grant application to the State. A copy of this application will be filed with the Clerk of the Board and forwarded to County Counsel. The Board's approval of this item, including the resolution authorizing the District Attorney to sign and submit the application, is required by the grant application process.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Katherine Hardy, Deputy County Counsel, 387-5437) on May 28, 2020; Finance (Carl Lofton, Finance Analyst, 387-5404) on June 05, 2020; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-5423) on June 5, 2020.