



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name: District Attorney
Department No.: 021
Agenda Date: June 3, 2025
Placement: Administrative Agenda
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s): John T. Savrnoch, District Attorney
Contact: Michael Soderman, Chief Financial & Administrative Officer
SUBJECT: California Department of Insurance Grant Program for Fiscal Year 2025-26: Life and Annuity Consumer Protection Program

DocuSigned by:
John Savrnoch
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County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Adopt and authorize the Chair to execute a Resolution authorizing the District Attorney, or designee to submit an application and, if awarded, execute a Grant Award Agreement with the California Department of Insurance (DOI) for the Life and Annuity Consumer Protection Program, for the award period of July 1, 2025 through June 30, 2026, with an anticipated award of \$53,500, up to a maximum grant award amount of \$171,566;
- b) Approve and authorize the District Attorney, or designee, to execute any future amendments to extend the term of the Grant Award Agreement through December 31, 2025, or to increase the grant award in an amount not to exceed an additional \$50,000, with the concurrence of Risk Management, County Counsel, and Auditor-Controller; and
- c) Determine that the above recommended actions are not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4) because they consist of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The District Attorney's Office seeks the Board's approval to reapply for the California Department of Insurance (DOI) Life and Annuity Consumer Protection Program (LACPP) grant award for an amount up to \$171,566 for Fiscal Year (FY) 2025-26. The LACPP is a DOI program that provides grant funds to District Attorneys for the identification, outreach, victim advocacy, enhanced investigation, and prosecution of life insurance and annuity financial abuse by insurance licensees or persons holding themselves out to be insurance licensees, or any person purporting to be engaged in the business of insurance. The District Attorney's Office has been awarded these grant funds for many years and must apply for these grant funds on an annual basis.

Discussion:

This request is before your Board to allow the District Attorney to obtain grant funds from the California DOI to fund its LACPP program. This grant will continue to provide partial funds for two part-time Deputy District Attorneys who will assist in the identification, investigation, and prosecution of life and annuity financial abuse. These attorneys will act as liaisons to local law enforcement and the Department of Insurance when cases of potential abuse are discovered.

At this time, the actual grant award amount is unknown as the grant funds have not yet been awarded. The District Attorney plans to apply for the maximum possible grant award of \$171,566, which is the full cost of the program. Historically, the amount awarded to the District Attorney's Office has been less than what was requested in the grant application. Based on prior awards, the department estimates that the grant award will be approximately \$53,500 for FY 2025-26; this is the amount that has been included in the FY 2025-26 Recommended budget. However, the department is requesting Board approval to apply for the maximum possible grant award amount of \$171,566.

Background:

In 2004, the State of California enacted the Life and Annuity Consumer Protection Program to curb life insurance and annuity financial abuse, particularly against senior citizens. This program is funded by an assessment on all newly issued life insurance and individual annuity policies sold to California residents. A portion of these funds are distributed to district attorneys throughout California for the prosecution of life insurance and annuity fraud cases.

Historically, the grant award amount has been less than what was requested in the grant application. However, consistent with past years, the District Attorney seeks authority to apply for the grant maximum.

Past grant funds have enabled the District Attorney's Office to combat life and annuity financial abuse. The FY 2025-26 grant would allow the program to continue at current staffing levels.

Performance Measures:

Each District Attorney receiving annual funds pursuant to Section 10127.17 of the California Insurance Code must submit reports to the Insurance Commissioner on the local program and its accomplishments. The Santa Barbara Life and Annuity Consumer Protection Program has historically had a low number of cases, but these cases have been large, complex, and with multiple victims, substantial financial damages, or both.

FY 2023-24 was highlighted by the case of the *People v. Lovett*, which was taken to trial, with final sentencing occurring at the tail end of the fiscal year. This trial, which took months to complete,

resulted in 29 felony convictions including securities fraud, identity theft, and grand theft. The defendant is currently sentenced to prison, with restitution ordered to his victims.

Fiscal Analysis:

The anticipated funding from this grant reflects one year of program expenses for the grant period of July 1, 2025, through June 30, 2026. The total project cost is \$171,566 and does not require any local cash match. Based on prior awards, the award for next fiscal year is estimated at \$53,500. Accordingly, revenues and expenditures of \$53,500 are included in the Fiscal Year 2025-26 Recommended Budget.

If the District Attorney's application is approved and the full grant amount of \$171,566 is awarded, then the grant funds will support the full \$171,566 in Salaries and Employee Benefits based on the staffing impacts table listed below.

Funding Source	FY 25-26	Total
General Fund		
State	171,566	171,566
Federal		
Fees		
[Other Source]		
Total	171,566	171,566

Staffing Impacts:

Legal Position Title	Number of FTE	Estimated Cost
Deputy District Attorney SR	0.10	\$24,324
Deputy District Attorney	0.40	\$76,894
Legal Office Professional	0.25	\$23,167
Benefits		\$47,181
Total	0.75	\$171,566

Special Instructions:

Please return the following items to John DeAlba, DA Department Business Specialist:

- a) One (1) Minute Order
- b) One (1) copy of the fully-executed Grant Delegation Resolution

Attachments:

Attachment A – Resolution

Contact Information:

John DeAlba
 Department Business Specialist
 jodealba@countyofsb.org