



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

Department Name: District Attorney
Department No.: 021
For Agenda Of: January 9, 2018
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Joyce E. Dudley, District Attorney, 568-2308
Contact Info: Michael Soderman, Chief Financial & Administrative Officer, 568-2303
SUBJECT: Agreement with the California Department of Insurance for an Automobile Insurance Fraud Prosecution Unit in the District Attorney's Office, Fiscal Year 2017 - 2018

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

It is recommended that the Board of Supervisors:

- a) Adopt a Resolution authorizing the District Attorney to execute a Grant Award Agreement with the California Department of Insurance for an Automobile Insurance Fraud Prosecution Unit for the period of July 1, 2017 through June 30, 2018 in the amount of \$115,000.00; and
- b) Determine that the above action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), because it consists 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 Automobile Insurance Fraud program is designed to prosecute automobile insurance fraud cases which are investigated by various law enforcement agencies. Board approval is required to receive grant revenue and continue this program in Fiscal Year 2017 - 18. In order to meet state deadlines and properly receive the grant funding, the District Attorney preliminary executed the grant agreement pending formal authority from the Board of Supervisors.

Background:

False insurance claims are a serious problem across the United States. The latest data from the DOI indicates that automobile insurance fraud continues to be on the rise in Santa Barbara County. There is a direct correlation between automobile insurance fraud and increases in insurance premiums. These factors led the Santa Barbara County District Attorney to develop the Automobile Insurance Fraud program, which brings together local businesses, the DOI, and the District Attorney to tackle automobile insurance fraud in Santa Barbara County. This is the fourth year of the program.

The program is financed through fees assessed by the State Insurance Commissioner as part of the automobile insurance rates. The long term goal of this initiative is to reduce automobile insurance fraud in Santa Barbara County through crime prevention and deterrence, to be accomplished with a combination of community education and criminal prosecution of fraud cases. Currently, there are three active cases being prosecuted (two felonies and one misdemeanor) charging four defendants with insurance fraud.

Fiscal and Facilities Impacts:

Budgeted: Yes. Revenues and appropriations are included in current and future budgets.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State	\$ 115,000.00	\$ 115,000.00	
Federal			
Fees			
Other:			
Total	\$ 115,000.00	\$ 115,000.00	\$ -

One part-time Deputy District Attorney and a part-time Investigator will work with a lead Deputy District Attorney on efforts countywide. The total funding allocation for Fiscal Year 2017 - 18 is \$115,000. This includes \$104,193 in salary and benefit costs, and \$10,807 in training, travel and overhead expenses associated with the program. This is the fourth year of funding for this program.

Staffing Impacts:

<u>Legal Positions:</u>	<u>FTEs:</u>
Deputy District Attorney I	0.52
Deputy District Attorney III	0.02
District Attorney Investigator I	0.10

Special Instructions:

Please return one (1) Minute Order and one (1) duplicate original Resolution to Nicole Acosta.

Attachments:

- Attachment A: Board Resolution
- Attachment B: Grant Award Agreement

Authored by:

Nicole Acosta, Department Business Specialist (x2413)