



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: December 13, 2016
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: Kerry Bierman, Chief Financial & Administrative Officer, 568-2304
SUBJECT: Agreement with the California Department of Insurance for an Automobile Insurance Fraud Prosecution Unit in the District Attorney's Office for Fiscal Year 2016 - 2017

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: N/A

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, 2016 through June 30, 2017 in the amount of \$127,122.00; 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 for this program in Fiscal Year 2016 - 2017.

Background:

False insurance claims are a serious problem across the United States. The latest data from the California Department of Insurance (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 third year of the program.

The Automobile Insurance Fraud 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 through a combination of community education and criminal prosecution of fraud cases. Currently, there are six active cases being prosecuted (four felonies and two misdemeanors) charging eight 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 | \$ 127,122.00 | \$ 127,122.00 | |
| Federal | | | |
| Fees | | | |
| Other: | | | |
| Total | \$ 127,122.00 | \$ 127,122.00 | \$ - |

One part-time Deputy District Attorney and a part-time Investigator will work with a lead Deputy District Attorney on efforts countywide. Fiscal Year 2016 - 2017 funding includes the allocation of \$115,000 as well as carryover of \$12,122 from the prior year, for a total allocation of \$127,122. The budget is comprised of \$116,381 in salary and benefit costs and \$10,741 in training, travel and overhead expenses associated with the program. This is the third year of funding for this program.

Staffing Impacts:

There are no staffing impacts.

Special Instructions:

Please return one (1) Minute Order and one (1) Resolution to Nicole Acosta, DA Business Specialist.

Attachments:

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

Authored by:

Nicole Acosta, Department Business Specialist