



**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 10, 2025
Placement: Administrative Agenda
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: John T. Savrnock, District Attorney
Contact: Michael Soderman, Chief Financial & Administrative Officer
SUBJECT: California Department of Insurance Grant Program for Fiscal Year 2025-26:
Automobile Insurance Fraud Program

DocuSigned by:
John Savrnock
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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 for the Automobile Insurance Fraud Program, for the award period of July 1, 2025 through June 30, 2026, with an anticipated award of \$143,500, up to a maximum grant award amount of \$265,000;
- 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, 2026, 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) Automobile Insurance Fraud grant award for an amount up to \$265,000 for Fiscal Year 2025-26. The California Department of Insurance (DOI) Automobile Insurance Fraud Program is designed to prosecute automobile insurance fraud cases which are investigated by various law enforcement agencies. 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 grant will continue to provide partial funds for two existing part-time Deputy District Attorneys (DDAs) and one part-time Legal Office Professional (LOP) to support the long-term goal of this initiative, which is to reduce automobile insurance fraud in Santa Barbara County through crime prevention and deterrence, through a combination of community education and criminal prosecution of fraud cases. In addition, training of local law enforcement regarding potential signs of auto insurance fraud continues to result in new cases being investigated.

At this time, the actual grant award amount is unknown as the application is not yet due and the grant funds have not yet been awarded; therefore, the District Attorney's Office is requesting Board approval to apply for the maximum grant award amount of \$265,000. Historically, the grant award amount has been less than what was requested, and based on prior awards it is estimated at \$143,500 for Fiscal Year 2025-26.

Background:

The DOI Automobile Insurance Fraud Program is the primary law enforcement agency responsible for investigating automobile insurance fraud crimes and enforcing the provisions of California Penal Code Sections 548-550. Crimes include, but are not limited to, medical mills, organized crime, staged collision rings, false and fraudulent claims, and organized economic automobile theft groups. As part of this Program, the DOI provides grant funding to counties to fund investigation and prosecution of automobile insurance fraud. Financial support to counties is based on county population, the number of suspected fraudulent claims reported, and the Insurance Commissioner's evaluation of the county's historical performance and plan description. Funding for the program comes from a quarterly fee assessed to each insurer, for each vehicle insured during the quarter.

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.

Performance Measures:

Each district attorney's office receiving annual funds pursuant to Section 1872.8 of the California Insurance Code must submit an annual report to the Insurance Commissioner on the local program and its accomplishments. The District Attorney's Auto Insurance Fraud Unit has been steadily securing restitution for the cases which are submitted. The Office worked closely with private industry through the National Insurance Crime Bureau (NICB) as well as with the DOI, investigating and prosecuting a consistent stream of felonies. Restitution for the insurance carriers is a primary concern, and in FY 2023-24, the Santa Barbara County District Attorney's Automobile Insurance Fraud Program secured and collected over \$5,266 in restitution ordered. During Fiscal Year 2023-24, the Program had 18 active cases, of which seven were carried over from Fiscal Year 2022-23, and 11 were new investigations initiated during Fiscal Year 2023-24.

Fiscal Analysis:

The anticipated funding from this grant reflects one year of program expenses for the period of July 1, 2025 through June 30, 2026. The total anticipated project cost is \$265,000 and does not require any local cash match. If the District Attorney’s application is approved and the full grant amount is awarded, the \$265,000 in grant funds will support \$240,600 in salaries and benefits as listed in the staffing table below, as well as \$24,400 in operating costs, including training, IT costs, single audit fees, and indirect costs. Based on the prior year awards, the award for the next fiscal year is estimated at \$143,500. Accordingly, revenues and expenditures of \$143,500 are included in the Fiscal Year 2025-26 Recommended Budget.

Funding Source	FY 2025-26	Total
General Fund		
State	\$ 265,000	\$ 265,000
Federal		
Fees		
Total	\$ 265,000	\$ 265,000

Staffing Impacts:

Grant funds will continue to fund existing staff listed below.

Legal Position Title	Number of FTE	Estimated Cost
Deputy District Attorney Sr.	0.25	\$56,500
Deputy District Attorney	0.40	\$65,800
District Attorney Investigator	0.10	\$15,600
Legal Office Professional	0.20	\$18,500
Benefits		\$84,200
Total	0.95	\$240,600

Special Instructions:

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

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

Attachments:

Attachment A – Resolution

Contact Information:

John DeAlba
 Department Business Specialist
 jodealba@countyofsb.org