



## Legislation Text

**File #:** 19-940, **Version:** 1

Adopt a resolution authorizing the Solano County District Attorney's prior submission of a recurring grant proposal to the California Department of Insurance for the investigation and prosecution of automobile insurance fraud; Authorize the District Attorney to accept the award in the amount of \$151,715 for the period ending June 30, 2020; and Approve an Appropriation Transfer Request (ATR) recognizing \$48,855 in unanticipated grant revenue above the amount budgeted for the grant in FY2019/20 and offset by appropriations for Salaries and Benefits (4/5 vote required)

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The District Attorney recommends that the Board of Supervisors:

1. Adopt a resolution authorizing the Solano County District Attorney's prior submission of a recurring grant proposal to the California Department of Insurance for the investigation and prosecution of automobile insurance fraud;
2. Authorize the District Attorney to accept the award in the amount of \$151,715 for the period ending June 30, 2020; and
3. Approve an Appropriation Transfer Request recognizing \$48,855 in unanticipated grant revenue above the amount budgeted for the grant in FY2019/20 and offset by appropriations for Salaries and Benefits (4/5 vote required).

### **SUMMARY/DISCUSSION:**

The District Attorney's Office has operated the Insurance Fraud Program for the past 25 years. The dedicated unit is assigned exclusively to the prosecution of automobile insurance fraud and consists of a Deputy District Attorney and an Investigator. Each year the District Attorney submits and receives grant funding from the California Department of Insurance to partially offset program costs.

On December 11, 2018, the Board of Supervisors approved a resolution allowing the District Attorney to execute any grant award agreement, including any amendments or extensions thereof, and for each Fiscal Year thereafter as funding continues to be available for this Program. On July 2, 2019, the District Attorney submitted the grant application for FY 2019/20. A complete copy of the grant application is attached. This is a recurring grant, and revenue and appropriations were included in the Department's FY 2019/20 budget as instructed in the County Financial Administration of Grants handbook. Approval of this recurring grant will allow the District Attorney's Office to continue to investigate and prosecute crimes involving automobile insurance fraud.

On October 4, 2019, the District Attorney was notified by the Insurance Commissioner that the grant was awarded to Solano County in the amount of \$120,114 for the period ending June 30, 2020. Carryover of \$31,601 from FY 2018/19 funding was also approved for use in FY 2019/20, bringing the total available to

\$151,715.

**FINANCIAL IMPACT:**

The financing for this program is derived from monies collected by insurance companies as a surcharge on automobile insurance premiums. These funds are distributed pursuant to Insurance Code Section 1872.8 by the State of California Department of Insurance.

The District Attorney budgeted \$102,860 for FY2019/20 for the grant, as this amount is in-line with prior year awards. However, the District Attorney was notified by the Insurance Commissioner that the grant was awarded to Solano County in the amount of \$120,114 for the period ending June 30, 2020. Including the \$31,601 of unspent funding from FY 2018/19, this award is \$48,855 greater than the amount included in the FY2019/20 Adopted Budget.

As a result of this increase, the District Attorney is recommending approval of an Appropriation Transfer Request recognizing \$48,855 in unanticipated grant revenue offset by program expenditures. The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget. There is no anticipated impact to the General Fund.

**ALTERNATIVES:**

The Board can choose not to adopt the resolution; however, this action is not recommended. Failure to adopt the resolution would result in the loss of approximately \$151,715 in grant funds and a significant impact in the District Attorney's ability to investigate and prosecute automobile insurance fraud.

**OTHER AGENCY INVOLVEMENT:**

None.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION