



Legislation Text

File #: 19-955, 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 workers' compensation insurance fraud; Authorize the District Attorney to accept the award in the amount of \$202,762 for the period ending June 30, 2020; and Approve an Appropriation Transfer Request (ATR) recognizing \$33,542 in grant revenue above the amount budgeted for 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 workers' compensation insurance fraud; and
- 2) Authorize the District Attorney to accept the award in the amount of \$202,762 for the period ending June 30, 2019; and
- 3) Approve an Appropriation Transfer Request (ATR) recognizing \$33,542 in grant revenue above the amount budgeted for 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 twenty-three years. The dedicated unit is assigned exclusively to the prosecution of workers' compensation 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 for the Program, including any amendments or extensions thereof, and for each Fiscal Year thereafter as funding continues to be available for this Program. On April 22, 2019, the District Attorney submitted the grant application for FY 2019/20. On November 5, 2019, the District Attorney was notified by the Insurance Commissioner that the grant was awarded to Solano County in the amount of \$202,762 for the period ending June 30, 2020.

A complete copy of the grant application is attached. This is a recurring grant, and revenue and appropriations were included in the Department's FY2019/20 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 workers' compensation insurance fraud.

FINANCIAL IMPACT:

The financing for this program is derived from monies collected by insurance companies as a surcharge on workers' compensation insurance premiums. These funds are distributed pursuant to Insurance Code Section 1872.83 by the State of California Department of Insurance.

The District Attorney's FY2019/20 Adopted Budget included \$169,220 from the California Department of Insurance grant in projected revenue and offsetting appropriations for this program and was in-line with prior year awards. On November 5, 2019, the District Attorney was notified by the Insurance Commissioner that the grant awarded to Solano County was in the amount of \$202,762 for the period ending June 30, 2020. This is \$33,542 more than the amount included in the FY2019/20 Adopted Budget. As a result, the District Attorney is recommending approval of an Appropriation Transfer Request recognizing \$33,542 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 \$202,762 in grant funds and a significant impact in the District Attorney's ability to investigate and prosecute workers' compensation insurance fraud.

OTHER AGENCY INVOLVEMENT:

None.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION