



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 10/8/2019

To: Sonoma County Board of Supervisors
Department or Agency Name(s): Sonoma County District Attorney
Staff Name and Phone Number: Renate Amantite 565-3150
Vote Requirement: 4/5th
Supervisory District(s): Countywide

Title:

Allocate two new full-time equivalent (FTE) staff positions and the associated budget appropriations to expand the District Attorney Environmental and Consumer Law Division

Recommended Action:

Adopt two board resolutions to expand the District Attorney Environmental and Consumer Law Division:

- A) Approve a board resolution authorizing the allocation of a new 1.0 FTE Deputy District Attorney IV position and a new 1.0 FTE Legal Processor II position. (Majority)
- B) Approve a board resolution authorizing budget adjustments for FY19-20 to provide additional appropriations in the amount of \$203,614 from the District Attorney's Consumer Protection Special Revenue fund for a half a year of salary and benefits for the two new positions. (4/5 Vote Required)

Executive Summary:

The Sonoma County District Attorney's Office is requesting the allocation of two additional staff positions and additional budget appropriations in order to expand the District Attorney's Office Environmental and Consumer Law Division. The positions needed are a Deputy District Attorney III-IV and a Legal Processor II to be funded by special revenues received from fines, penalties and investigative expense reimbursements resulting from successful Consumer Fraud cases. These cases include contractor fraud, elder financial fraud, price-fixing and price gouging, and deceptive sales strategies and false advertising. These crimes hurt citizens and legitimate businesses alike and ultimately the quality of life and economic wellness of life in Sonoma County. The body of work for the Consumer Fraud unit has somewhat limitless capacity. The greater the staff, the greater number of consumer fraud crimes that can be pursued. The increased staffing will not only expand the DA Office's ability to pursue local consumer fraud crimes, but also allow Sonoma County to participate in a greater number of big multi-county cases across the state. These cases often result in significant justice to citizens as well as fines and penalties that provide the financial means for continuation of consumer fraud prosecution efforts.

Discussion:

The Environmental and Consumer Law Division (ECLD) of the District Attorney's Office, was established in 1989 and prosecutes violations of California's unfair competition and false advertising laws to protect Sonoma County citizens and to maintain a level playing field for businesses. The ECLD has successfully prosecuted consumer protection violations, both civilly and criminally, in a number of areas including price gouging, contractor fraud, elder financial fraud, retail store price overcharges and misleading advertising, misleading telephone solicitations, health and beauty scams, mobile home rent control, slack fill products, Proposition 65,

adulterated or misbranded products, public nuisance abatement, and more.

The ECLD unit works closely with law enforcement and consumer protection agencies at the federal, state and local levels, including the Federal Trade Commission, the California Attorney General's Office and other District Attorneys throughout the state. The ECLD unit also has an active consumer outreach program and has provided speakers to various community groups on a wide range of topics including consumer scams, identity theft, con artists targeting the elderly, and foreclosure rescue scams. The ECLD also enforces Brown Act violations, election law violations, misuse of public funds, political corruption, workers' compensation fraud, insurance fraud, and other major fraud violations. The ECLD attorneys provide training to law enforcement agencies and other attorneys throughout the state.

ECLD is currently comprised of 6.75 staff: 3.5 attorneys, 1.25 investigators, 1 legal assistant and 1 legal secretary. Total projected FY19-20 salary and benefits is \$1,456,551 to be paid using the ECLD special revenue funding. The work of the unit is only limited by the staff resources available and the District Attorney requests Board of Supervisor support to expand the ECLD unit with an allocation increase of two positions: a 1.0 FTE Deputy District Attorney position and a 1.0 FTE Legal Processor position. This is a non-general fund request as these positions will be paid with the ECLD special revenue.

The additional Deputy District Attorney IV position will focus on expanding consumer fraud prosecution work, and the new attorney will be able to take over case work when other attorneys need to focus all their efforts on one particular case, or travel to handle statewide actions. This flexibility will allow for continuation of progress on these other cases. Another added benefit is the additional experience and knowledge this new attorney will bring to the unit. ECLD is a highly collaborative team and a strength is their ability to share their knowledge.

The Legal Processor II position will reduce the work burden on the Legal Assistant and the Legal Secretary, allowing them the time they need to perform the more advanced and challenging level of support work. The Legal Processor tasks will include setting up new ECLD cases in the case management system, creating attorney working paper files, helping gather necessary documentation, prepare subpoenas, file petitions with the court, prepare court calendars, and serve as the front line interface with the public when they call or come in for appointments or to file complaints.

The District Attorney Consumer Protection special revenue fund is specifically designated for prosecution of Consumer Fraud crimes. The fund has received \$7.7M in revenues over the past five years and has a current fund balance is \$4.5M. The fund varies each year and the highest amount received was \$2.4M (FY 14-15) and averaged \$1,543,171 per year over the past five years.

Consumer fraud crimes are a significant harm to citizens and legitimate business in Sonoma County and ultimately affect the quality of life and economic wellbeing of life in Sonoma County. Contractor fraud and elder financial fraud are two areas of special concern in Sonoma County. Based on the current fund balance, current cases being pursued, a projection of upcoming revenue from fines and penalties, knowledge of upcoming cases and workload potential, and the knowledge of additional large multi-county collaborative cases being handled by this office, the Sonoma County District Attorney believes now is the right time to expand Sonoma County's Consumer Fraud unit and the good work done on behalf of Sonoma County citizens and businesses.

Prior Board Actions:

No prior Board actions

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY20-21 Projected	FY 21-22 Projected
Budgeted Expenses		\$396,165	\$411,723
Additional Appropriation Requested	\$203,614		
Total Expenditures	\$203,614	\$396,165	\$411,723
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$203,614	\$396,165	\$411,723
Use of Fund Balance			
Contingencies			
Total Sources	\$203,614	\$396,165	\$411,723

Narrative Explanation of Fiscal Impacts:

The two requested ECLD positions will be paid using the District Attorney Consumer Protection special revenue funds and not general funds. These special revenues are the result of judge ordered payments in civil and criminal case proceedings holding perpetrators accountable for unfair or unlawful business practices and tactics. From FY14-15 to FY18-19, a total of \$7.7M has been received, the fund grew 271% and has a current fund balance is \$4.5M. The funds received each year can fluctuate. The highest amount received was \$2.4M (FY14-15) and the average over the past 5 years is \$1,543,171. The District Attorney expects the Consumer Protection Fund, over the long run, to continue increasing. A conservative assessment of the fund's ability to financially support the ECLD costs was performed. In the projection, the lowest revenue in the last three years, \$1,214,842, was used as well as overstated projections of salary and benefit costs, including COLAs, equity adjustments and projected benefit cost increases. Based on this projection, an unlikely worst case scenario, the Consumer Protection fund can meet the ECLD unit costs for at least four and a half years.

FY19-20 - Annualized -	FY19-20	FY20-21	FY21-22	FY22-23
Conservative Revenue Projection (lowest in 3 years)	\$1,214,842	\$1,214,842	\$1,214,842	\$1,214,842
Expense Projection	\$1,692,165	\$2,176,427	\$2,270,,897	\$2,366,792
Use of ECLD Funds	\$477,323	\$961,585	\$1,056,055	\$1,551,950
Fund Balance	\$3,853,077	\$2,891,493	\$1,835,438	\$683,488

The additional positions do not add financial risk to the county general fund. The District Attorney's office,

with 51 attorneys and 19 legal processors, experiences the normal attrition and has ample flexibility to reduce the ECLD staffing at any time concern arises in the fund's ability to financially support the existing ECLD staffing level.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)
Deputy District Attorney IV	\$11,230 - \$13,652	1	0 <input type="checkbox"/>
Legal Processor II	\$3,574 - \$4,345	1	0 <input type="checkbox"/>

Narrative Explanation of Staffing Impacts (If Required):

The addition of the two new ECLD positions would have a positive impact to the existing staff. In addition to expanding the Consumer Fraud Prosecution work, the added attorney will increase the unit's flexibility. With the type of cases the ECLD attorneys work on, there are often times an attorney will need to focus solely on one case and, therefore, delay further progress on their remaining cases. This is not ideal. The new attorney can help take over the remaining cases and further their progress. There are very large cases that involve intensive discovery and pretrial litigation work that require the efforts of more than one attorney as well. The unit would also benefit from the additional knowledge and experience the new attorney would bring as they are highly collaborative and share knowledge. The added legal processor would provide enormous support staff assistance that has been needed for a while. This will allow the current legal assistant and legal secretary to spend more of their time providing the advanced level of support work needed, including research and outreach with other agencies and counties and help ensure sufficient staffing at all times to meet the needs of the public when they call and come to the ECLD office.

Attachments:

Position Allocation Board Resolution
Budget Adjustment Board Resolution

Related Items "On File" with the Clerk of the Board:

N/A