

Application Report



Applicant Organization:

El Dorado

Project Name:

FY 22-23 Auto El Dorado

Funding Announcement:

FY 22-23 Automobile Insurance Fraud Program

Requested Amount:

\$232,717.00

Project Summary: FY 22-23 AUTO El Dorado

Authorized Certifying Official:

Vern Pierson vern.pierson@edcgov.us 530-621-6472

Project Director/Manager:

James Clinchard james.clinchard@edcgov.us 530-621-6472

Case Statistics / Data Reporter:

Andrea Luckenbach andrea.luckenbach@edcgov.us 530-621-3879

Compliance/Fiscal Officer:

Kerri Williams-Horn kerri.williams-horn@edcgov.us -

Section Name: Overview Questions

Sub Section Name: General Information

1. Applicant Question: Multi-County Grant

Is this a multi-county grant application request? If Yes, select the additional counties.

Applicant Response:

No

2. Applicant Question: Estimated Carryover

Enter the estimated carryover funds from the previous fiscal year. If none, enter "0".

Applicant Response:

\$59,000.00

3. Applicant Question: Contact Updates

Have you updated the Contacts and Users for your Program? Did you verify the Contact Record for your County's District Attorney?

- **Contacts** are those, such as your elected District Attorney, who need to be identified but do not need access to GMS.
- **Users** are those individuals who will be entering information/uploading into GMS for the application. **Confidential Users** have access to everything in all your grant applications. **Standard Users** do not have access to the Confidential Sections where Investigation Activity is reported. Typical Standard Users are budget personnel.

Applicant Response:

Yes

4. Applicant Question: Program Contacts

Identify the individuals who will serve as the Program Contacts. These individuals shall be entered as a User or Contact in GMS.

On the final submission page, you will link these individuals' contact records to the application.

Project Director/Manager is the individual ultimately responsible for the program. This person must be a Confidential User.

Case Statistics/Data Reporter is the individual responsible for entering the statistics into the DAR (District Attorney Program Report). This person should be a Confidential User.

Compliance/Fiscal Officer is the individual responsible for all fiscal matters relating to the program. This must be someone other than the Project Director/Manager. This person is usually a Standard User.

Applicant Response:

Program Contacts	Name
Project Director / Manager	James Clinchard
Case Statistics / Data Reporter	Andrea Luckenbach
Compliance / Fiscal Officer	Kerri Williams-Horn

5. Applicant Question: Statistical Reporting Requirements

Do you acknowledge the County is responsible for separately submitting a Program Report using the CDI website, DA Portal?

To access the DAR webpage on the CDI website: right click on the following link to open a new tab, or copy the URL into your browser.

<http://www.insurance.ca.gov/0300-fraud/0100-fraud-division-overview/10-anti-fraud-prog/dareporting.cfm>

Applicant Response:

Yes

6. Applicant Question: Required Documents Upload

Have you reviewed the Application Upload List and properly named and uploaded the documents into your Document Library?

To view/download the Application Upload List: go the Announcement, click View, and at the top of the page select

Attachments. Items must be uploaded into the Document Library before you can attach them to the upcoming questions.

Applicant Response:

Yes

Sub Section Name: BOS Resolution

1. Applicant Question: BOS Resolution

Have you uploaded a Board of Supervisors (BOS) Resolution to the Document Library and attached it to this question?

A BOS Resolution for the new grant period must be uploaded to GMS to receive funding for the 2022-2023 Fiscal Year. If the resolution cannot be submitted with the application, it must be uploaded no later than January 2, 2023. There is a sample with instructions located in the Announcement Attachments, 3b.

Applicant Response:

No

2. Applicant Question: Delegated Authority Designation

Choose from the selection who will be the person submitting this application, signing the Grant Award Agreement (GAA) in GMS, and approving any amendments thereof.

The person selected must be a Confidential User, who will attest their authority and link their contact record on the submission page of this application. A sample Designated Authority Letter is located in the Announcement Attachments, 3a. CDI encourages the contact named as Project Director/Manger be the designated authority, should that be your selection.

Applicant Response:

County District Attorney, named in BOS Resolution

Section Name: County Plan

Sub Section Name: Qualifications and Successes

1. Applicant Question: Successes

What areas of your automobile insurance insurance fraud program were successful and why?

Detail your program's successes for ONLY the 20-21 and 21-22 Fiscal Years. It is not necessary to list every case. If a case is being reported in more than one insurance fraud grant program, clearly identify the component(s) that apply to this program. If you are including any task force cases in your caseload, name the task force and your county personnel's specific involvement/role in the case(s). Information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1.

Applicant Response:

The El Dorado County District Attorney's Office has been operating under this grant for several years under the direction of

the elected District Attorney, Vern Pierson. Automobile insurance fraud cases are a part of the Special Prosecutions Unit, which handles various forms of fraud, financial abuse, and public corruption. One factor that has proven to be essential to the successful prosecution of automobile insurance fraud crimes is communication and collaboration at an early stage between the Unit Supervisor, Assigned Prosecutor, and Investigator. For the vast majority of cases the office receives, the Assigned Prosecutor and Investigator meet to discuss the case before a complaint is filed with the Superior Court. These meetings will sometimes include the Unit Supervisor to take advantage of his expertise. During these meetings, the Deputy District Attorney (DDA) and District Attorney Investigator (DAI) will discuss the case and necessary investigation will be undertaken before the case is filed with the Superior Court. This allows for a streamlined prosecution once the case is filed with the Court.

This unit has also been successful at increasing the number of prison sentences that are imposed for automobile insurance fraud crimes, and economic auto theft crimes, as well as the length of those sentences. While our number of cases of economic auto theft has gone down, the investigation of the cases, the collaboration between our DDA and DAI on the investigation of these potential cases, and the review of potential economic auto fraud cases is essential for us to ensure we are able to help eliminate insurance fraud and economic auto fraud in El Dorado County. Convincing both defense attorneys and judges that these are serious crimes that have widespread impact on both the community and the legal system has been an ongoing and arduous process. The results of these efforts have become more apparent over the course of the past several years as the assigned DDA has obtained more significant sentences and argued that those who are committing these crimes on a regular basis should remain in custody.

Prior to the creation of the Special Prosecutions Unit, automobile insurance fraud cases were assigned via alphabetical split to a number of Deputy District Attorneys within the office. Additionally, a District Attorney Investigator would only become involved if follow up investigation was deemed necessary by the filing DDA. With a specially assigned Deputy District Attorney and District Attorney Investigator working closely together from the start of a case, they have familiarity with all of the cases in the unit. This allows both to have the knowledge necessary to successfully investigate and prosecute the case, in addition to advocating on behalf of the victim. Additionally, law enforcement has a known point of contact within the District Attorney's Office when a question arises during the course of the investigation in these types of cases. Examples of successful investigations and prosecutions include:

In *People v. Robert Edward Lee*, Docket #P19CRF0482, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with investigators from the California Highway Patrol Investigative Services Unit (ISU) to file a 10 count chop shop, stolen vehicle, and VIN switch case that spanned three different search warrant locations including two properties in a neighboring county. Investigators discovered approximately 10 stolen vehicles as well as numerous stolen vehicle parts including engines and also evidence of VIN switching. The assigned District Attorney Investigator conducted follow-up with several victims of the stolen vehicles and the District Attorney's Office was able to file additional charges and increase the maximum sentence for this Defendant. Moreover, Deputy District Attorney Miles Perry continues to coordinate with detectives from ISU regarding court preparation for the preliminary hearing in this case. This case is currently making its way through the court system and is a good example of this office's close interaction and collaboration with other allied agencies that investigate auto fraud and chop shop/VIN switch cases.

In *People v. Mike Zivkovich*, Docket # P19CRF0209, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with investigators from the California Highway Patrol Investigative Services Unit (ISU) regarding court preparation for the preliminary hearing in this 20 count chop shop and stolen vehicle case spanning multiple search warrant locations across multiple counties. On May 6, 2022, the Defendant pled to both felony chop shop and stolen vehicle charges for a 4 year county prison sentence with 2 years of mandatory supervision. He was also ordered to pay \$4,376.96 to the victims.

In People v. Sonya Lossius, Docket # P21CRF0469, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with California Department of Insurance Investigator Calli Lane to successfully prosecute and convict the defendant of felony insurance fraud. On March 15, 2022, the Defendant entered a plea to felony insurance fraud under Penal Code Section 550(b)(2) and was placed on felony probation and ordered to pay \$755.24 to the victim insurance company.

In People v. Jose Gomez, Docket # P21CRF0481, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with California Department of Insurance Investigator Gerardo Dominguez to successfully prosecute and convict the defendant of felony insurance fraud. On February 22, 2022, the Defendant entered a plea to felony insurance fraud under Penal Code Section 550(b)(2) and was placed on felony probation and ordered to pay \$126.65 to the victim insurance company.

Additionally, several years ago, the District Attorney's Office set forth a procedure for how law enforcement agencies should be investigating cases involving the embezzlement of a vehicle and a meeting with the law enforcement agencies occurred. The DA's office is continuing to see an increased referral of these cases either to the assigned DAI or DDA for review to determine if criminal charges could and/or should be filed. Having an assigned DDA and DAI allows for law enforcement to have a specific point of contact when they are dealing with a particular type of case, such as embezzlement of vehicles. Our Automobile Insurance Fraud grant allows for local law enforcement to have consistency in the contact person, which also allows for the contact person to have familiarity with these types of cases. Additionally, the assigned DDA and DAI recently attended a training at the CHP office to discuss and explain what is expected in an auto fraud investigation and to answer questions regarding these types of cases. It is anticipated that this will lead to more successful prosecutions of these cases.

The majority of our caseload continues to be economic auto theft given we are a smaller county. However, the District Attorney Investigator continues to collaborate with the investigative units at insurance companies at an early stage to assist in the investigation of these cases. Once a case is received by our office, the Deputy District Attorney and District Attorney Investigator will collaborate to determine what additional steps need to be taken to ensure a successful prosecution of the case.

The DA's office is continuing to see more economic auto thefts in El Dorado County which we believe is related to the continuing increase in pro-defendant / anti-punishment laws. These laws include: AB109, allowing offenders to serve their prison time locally rather than in state prison; Proposition 47, reducing the felony status of certain theft and drug related offenses; and Proposition 57, allowing early release for prisoners convicted of any offense but the most violent felonies back into society. The effect of these laws is that the habitual offenders are allowed back into the community at a much faster rate. The DA's Office continues to battle against these pro-defendant laws through the aggressive investigation and prosecution of cases.

2. Applicant Question: Task Forces and Agencies

List the governmental agencies and task forces you have worked with to develop potential automobile insurance insurance fraud cases.

Applicant Response:

The funding received from the California Department of Insurance, coupled with District Attorney Vern Pierson's commitment to the appropriate handling of automobile insurance fraud cases, has provided our office the ability to establish and maintain a strong relationship with a number of agencies. These agencies include the El Dorado County Sheriff's Department, Placerville Police Department, South Lake Tahoe Police Department, California Highway Patrol, Department of Insurance, and the Department of Motor Vehicles. Our investigations often include collaborating with agencies outside our jurisdiction.

In *People v. Lee*, our office continues to collaborate with Investigative Services Unit (ISU) of the California Highway Patrol. This unit is responsible for investigations into major auto theft rings. This major case is an investigation into the recovery of 10 stolen cars in Sacramento County and El Dorado County. As a result of many additional meetings and further review of this case by the specially assigned prosecutor and DAI Luckenbach's communication with CHP, the District Attorney's Office has filed charges against the defendant.

In *People v. Sonya Lossius & People v. Jose Gomez*, our office collaborated with California Department of Insurance Fraud investigators to successfully prosecute and convict both defendants of felony insurance fraud and recovered restitution to the victim insurance companies in both cases.

Our office continues to provide outreach to local law enforcement agencies through our liaison program. This interactive program was developed by District Attorney Vern Pierson, which provides attorneys the ability to sit down with local law enforcement on a regular basis to provide additional training on a variety of topics and to act as a venue for officers to have their questions answered by the attorney who will be handling their cases.

3. Applicant Question: Unfunded Contributions

Specify any unfunded contributions and support (i.e., financial, equipment, personnel, and technology) your county provided in Fiscal Year 21-22 to the automobile insurance insurance fraud program.

Applicant Response:

Unfunded contributions include El Dorado County District Attorney Vern Pierson's time to promote the Automobile Insurance Fraud Program to secure funding from the El Dorado County Board of Supervisors. Additional unfunded contributions include Chief Investigator Jeff Dreher's time to provide supervision to program Investigators, along with Supervising Investigator Bryan Kuhlmann's time providing supervision to the grant programs. This additional time includes training, supplying equipment, and providing Information Technology support across all grant programs, which cannot be allocated to any single program.

The County also has a Central Fiscal Unit, consisting of the Agency Chief Financial Officer, Administrative Analyst and Fiscal Technician of which salaries are unfunded. The Fiscal Unit is responsible for the fiscal needs of the project, preparing grant documents, modifications, expenditure reports, and monitoring compliance and regulations to ensure the appropriate use of funds.

4. Applicant Question: Personnel Continuity

Detail and explain the turnover or continuity of personnel assigned to your automobile insurance insurance fraud program. Include any rotational policies your county may have.

Applicant Response:

The El Dorado County District Attorney’s Office does not have a written rotational policy. DDA’s are expected to rotate through assignments based on staffing needs or the individual’s career path. DDA’s are often required to handle a wide variety of cases because of the small size of our office. It is the goal that this variety provides the DDA with exposure to a multitude of issues, thereby acting as a foundation for future leadership roles within the office.

The staffing within the automobile insurance fraud program is not expected to change for this fiscal year. Assistant District Attorney James Clinchard will continue to supervise the Special Prosecutions Unit, which includes the Auto Fraud Unit. DDA Miles Perry will continue to be assigned as the vertical prosecutor for the cases county wide. DDA Miles Perry is an upper level DDA in the office and has ten years of experience as a DDA prosecuting a variety of cases. District Attorney Investigator Andrea Luckenbach remains the dedicated investigator assigned for the program.

5. Applicant Question: Frozen Assets Distribution

Were any frozen assets distributed in the current reporting period?

If yes, please describe. Assets may have been frozen in previous years.

Applicant Response:

No

Applicant Comment:

None.

Sub Section Name: Staffing

1. Applicant Question: Staffing List

Complete the chart and list the individuals billed to the program, including prosecutor(s), investigator(s), and support staff. Include any vacant positions to be filled.

For each, list the percentage of time devoted to the program and the start and end dates the individual is billed to the program.

Applicant Response:

Name	Role	Start Date	End Date (leave blank if N/A)	% Time
Andrea Luckenbach	District Attorney Investigator	07/01/2022		70
Miles Perry	Deputy District Attorney	07/01/2022		10
Diana Fedrow	Sr. Paralegal	07/01/2022		20

2. Applicant Question: FTE and Position Count

Complete the FTE and Position Chart, summarizing the positions listed in the previous question.

The chart should match what you will be entering in the budget. The budget entry will roll over into Post Award.

Applicant Response:

Salary by Position	# of Positions	FTE (1.00 = 2080 hours/year)
Supervising Attorneys		
Attorneys	1	.10
Supervising Investigators		
Investigators (Sworn)	1	.70
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.	1	.20
Clerical Staff		
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary by Position, other		
	Total: 3.00	Total: 1.00

3. Applicant Question: Organizational Chart

Upload and attach to this question an Organizational Chart; label it "22-23 AUTO (county name) Org Chart".

The organizational chart should outline:

- *Personnel assigned to the program. Identify their position, title, and placement in the lines of authority to the elected district attorney.*
- *The placement of the program staff and their program responsibility.*

Applicant Response:

[FY 22-23 AUTO El Dorado Org Chart.pdf](#) - PDF FILE

Sub Section Name: Problem Statement & Program Strategy

1. Applicant Question: Problem Statement

Describe the types and magnitude of automobile insurance fraud (e.g., applicant, medical/legal provider, staged collisions, insider fraud, fraud ring, capping, and economic vehicle theft) relative to the extent of the problem specific to your county.

Use local data or other evidence to support your description.

Applicant Response:

El Dorado County has an estimated population of 190,678. The County sits on Highway 50, which is a major thoroughfare allowing people to travel from San Francisco and Sacramento to gold country, foothill wineries, South Lake Tahoe, and other tourist destinations in the County. This thoroughfare along with the multiple tourist destinations along the route result in a substantial number of defendants stealing cars in other jurisdictions and bringing them into El Dorado County. Said defendants are then caught, arrested and prosecuted in this County.

Auto theft crimes continue to be on the rise in our County for a number of reasons: (1) the increased use of narcotics, (2) the lowering of punishments and an increase in pretrial release for automobile insurance fraud crimes (3) the earlier release of state prison inmates, (4) the Red Hawk Casino, and (5) the economy. Narcotics offenses, and the theft crimes related to them, continue to be an issue in El Dorado County. These offenses were a large part of the caseload handled by our office prior to 2014. However, in recent years several legislative enactments have changed the way that these cases are handled by the justice system and lessened the maximum sentence for many offenders. In many cases, simple possession of drugs will often lead to a pre-plea sentence in which the offender must complete a diversion program.

In 2014, California voters passed Proposition 47. That law reduced many of our theft and narcotics offenses from felonies to misdemeanors. Following the passage of that law, the County saw numerous offenders move from attempting to treat their addiction while in custody or on supervision to being released without supervision or accountability for their actions. It is thought that this is what allowed offenders to continue with their addiction. In early 2018, the landscape of Proposition 47 changed through various court decisions. Case law is now indicating that economic vehicle theft and possession of a stolen vehicle are often times misdemeanor offenses if the vehicle is not worth more than \$950. Change in case law and the application of Prop 47 has changed the standards for filing a felony offense. Thus, one of the auto insurance fraud unit's main goals is to continue to educate law enforcement on the changes in the law and to ask the necessary questions at the time of the investigation.

In 2016, California voters passed Proposition 64 decriminalizing several narcotics offenses specifically related to marijuana. Our office continues to see the same trends that were present post-Proposition 47. The issue presented with narcotics offenders as it relates to fraud cases is that these offenders often do not have the funds to support their addictions. Therefore, they turn to unlawful means of obtaining funds. In our County we have seen addicts turn to theft offenses of both automobiles and personal property because of their addiction and in an effort to support their addiction.

Prior to 2011, a violation of Vehicle Code section 10851 (auto theft) and Penal Code section 550 (insurance fraud) were both punishable in the state prison. However, that same year Penal Code section 1170(h) (state prison realignment) passed, ensuring that offenders of V.C. 10851 and P.C. 550 would serve their time in county jail rather than in state prison. Additionally, the statute provides that a portion of the prison sentence should be served on supervised release in the community rather than in custody. The result is a decreased deterrent effect on offenders of automobile insurance fraud cases. In addition, repeat offenders are released back into the community with no supervision, allowing them to violate the law again.

Also in 2016, California voters passed Proposition 57, which allows greater time credits for state prison inmates as well as earlier release on parole. Even though state prison is confined to some of the most serious offenses in our system, now those offenders are also entitled to earlier release, resulting in violent and serious offenders being released back into society to continue to commit new crimes.

Additionally, vehicle thieves are now committing violent and serious crimes as part of their crime spree including evading police as well as other forms of theft including identity theft, property theft, and burglary. We routinely see these offenders break into a victim's home (a serious felony), and then steal the victim's car from the garage. Many times, the victim's belongings and forms of identification are also in the car. These cases require greater attention to detail because of their increased complexity and the increased punishments associated with serious felonies. Sometimes, when police attempt to initiate a traffic stop of the stolen vehicle, these individuals will lead police on a pursuit often putting the lives of other motorists at risk. Therefore, there is an increased demand on the attorney and investigator resources to ensure these complex cases are investigated and prosecuted appropriately.

Red Hawk Casino serves as a location for criminal activity in El Dorado County. The casino opened its doors in 2009, which is an attractive destination for residents in the Sacramento area. Visitors to the casino are often attracted to the parking garage where they will sit in their cars and consume narcotics, thinking they are concealed from view. These individuals are often detected through a high technology surveillance system, which view nearly every area of the parking garage. Given the increased use of narcotics at the property, we have also seen an increase in economic auto thefts coming out of Red Hawk Casino. As previously mentioned, these two crimes often go hand in hand to fuel the offenders' addiction. These offenders also commonly steal cars outside of our jurisdiction and are captured at Red Hawk Casino.

El Dorado County is primarily a rural county. Rural areas are often still affected by the economic downturn. Impoverished individuals will often steal a car simply to obtain a means of transportation from one place to another or even for use as a place to live. Cars are also stolen to sell in whole or in parts. Additionally, we have seen a rise in individuals renting a vehicle and keeping it beyond the contract end date because they do not have the ability to pay or because they have a continuing need for the vehicle.

As illustrated, El Dorado County has various factors that contribute to the ongoing issue of automobile insurance fraud crimes. The use of narcotics, the lessening of punishment for auto fraud crimes, the early release of state prisoners, Red Hawk Casino, and the economic downturn all contribute to the issue present in our County.

In El Dorado County, the DA's Office handles mostly economic auto theft. In dealing with economic auto theft and auto insurance fraud cases, the DA's Office strives to make the victim whole by ensuring that a restitution order is in place at the time of resolution. At the time of filing, a letter and a restitution claim form are sent to the victim. This claim form includes various categories under which the victim can claim restitution including *inter alia*: expenses resulting from stolen or damaged property, medical expenses, and wages or profits lost. There is an additional section where the victims are asked about payments made by insurance, and there is a checkbox relating to whether it was the victim's insurance or the defendant's insurance that paid. In many cases, victims do not include an insurance amount. There are a few reasons that this may occur. First, often times the vehicle recovery happens quickly after the original theft occurred and there is not enough time for the insurance company to issue a claim. Second, in some cases the victims do not involve their insurance company. Third, the victim may be uninsured. The restitution claim form does not require the victim to answer whether or not they are insured.

Usually, the total amount of restitution requested on the claim form is the amount sought out at the time of the resolution of the case. These restitution amounts are often for more than just the amount relating to the vehicle theft itself. The losses the victim suffers can also include: lost wages, mental health counseling expenses and security system upgrades, just to name a few. Additionally, in many cases when a vehicle is stolen there is property damage and/ or other property loss that occurs. In these cases, the victim could request a restitution amount in excess of the value of the vehicle to include the value of other items taken, and the cost to repair any broken or damaged items.

Finally, the District Attorney's Office received 105 auto fraud investigative referrals from law enforcement agencies in this fiscal year which far exceeded the 70-95 cases projected in last year's grant application. To build on the successes outlined from last fiscal year in investigating and prosecuting auto fraud cases the District Attorney's Office is requesting additional funding to meet these funding gaps. The continued support from the Department of Insurance is appreciated and critical to the success of this program within our community.

2. Applicant Question: Problem Resolution Plan

Explain how your county plans to resolve the problem described in your problem statement. Include improvements in your program.

Information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 2, and marked "Problem Resolution".

Applicant Response:

The use of narcotics, lessening of punishment for automobile insurance fraud crimes, early release of state prisoners, the Red Hawk Casino, and the continuing effects of the economic downturn have all contributed to the problem present in El Dorado County. The following sections provide an outline of how our office intends to address those problems to achieve the program objectives and activities, the manner in which our office will develop the caseload, the sources for referrals, and further coordination between our office, insurance companies, and various law enforcement agencies.

3. Applicant Question: Plans to Meet IC Goals

What are your plans to meet the announced goals of the Insurance Commissioner?

If these goals are not realistic for your county, please state why they are not, and what goals you can achieve. Include your strategic plan to accomplish these goals. *Copies of the Goals can be found in the Announcement Attachments, 4g.*

Applicant Response:

Public Safety

Public safety is a main priority in the DA's office as well as with the Insurance Commissioner. It is a goal of the DA's office to protect the public by ensuring that offenders are held accountable for their criminal actions. By continuing to prosecute crimes of auto insurance fraud and economic auto theft even in the face of changing laws lessening sentences and changing the level of criminality of the offenses, the DA's office is working to ensure the community, both the individuals that live within it and their property, remains safe. The DA's office is committed to continuing to investigate and prosecute these types of crimes, as well as continue to work with outside agencies and train local law enforcement agencies on the changes in the law and proper investigation techniques in these types of cases. The DA's office will continue to fight for bail to be set in our cases as an effort to keep the community safe while the case is pending. Additionally, when a defendant does not appear for court, the DAI will work to find the defendant in an effort to keep the cases progressing forward. As these cases are often times connected to more serious crimes as well as other types of theft, having a specially assigned DDA and DAI that are familiar with all of the cases within the unit gives the ability to recognize repeat offenders and make appropriate sentencing recommendations to ensure the safety of the community for as long as

possible.

Medical-Legal Fraud

This goal is not realistic for our county because this type of fraud would fall under a different category than auto insurance fraud and economic auto theft. Additionally, El Dorado County does not see these types of crimes often.

Performance and Continuity within the Program

District Attorney Vern Pierson is aware of the Commissioner's desire to maintain consistency within the program and is committed to enforcing that goal. In addition, the goal of any vertical prosecution team is to limit the turnover of the personnel within the program. This inevitably cuts down on the initial training required for new personnel, and allows all personnel to foster a continued working relationship. Assistant District Attorney James Clinchard remains the supervisor of the Special Prosecutions Unit, which includes the Automobile Insurance Fraud Unit. Mr. Clinchard has been an invaluable resource, contributing his twenty years of experience to the program. Deputy District Attorney Miles Perry has spent ten years as a prosecutor and six of those in El Dorado County as a prosecutor in the Auto Fraud Unit, Domestic Violence Unit (a vertical prosecution unit), and the Trial Team Unit and is familiar with the type of work necessary to succeed in such a vertical prosecution position. Investigator Andrea Luckenbach remains the Unit's investigator this year.

Outreach

For the last several years our office has reached out to members of the community by establishing a booth at the El Dorado County Fair. This booth provides a forum for District Attorney Investigators and Deputy District Attorneys to educate residents of our County as to the job and responsibility of the District Attorney's Office as well as answer and questions or concerns they may have. Our office will continue to attend the Fair with the hopes of further bridging the gap between our office and the community.



Balanced Caseload

Our office will continue to send Deputy District Attorneys and Investigators to appropriate trainings. One such training will be the Annual Anti-Fraud Conference hosted by the Anti-Fraud Alliance. These trainings are essential as they often provide attorneys and investigators with updates in the law and updates in techniques for the successful investigation and prosecution of cases.

We continue to have difficulty increasing the number of applicant/insured fraud cases our office investigates and prosecutes, primarily due to the transitory nature of El Dorado County as well as the low number of Suspected Fraudulent Claims (SFC) received. However, we continue to work with insurance company Special Investigative Units in an effort to increase this caseload. We are prepared to investigate and prosecute other types of automobile insurance fraud crimes such as staged collisions or insider fraud, but our County does not typically see these types of cases.

4. Applicant Question: Multi-Year Goals

What specific goals do you have that require more than a single year to accomplish?

Applicant Response:

El Dorado County continues in our efforts to increase the number of applicant/insured fraud cases we investigate and prosecute. We continually reach out to develop relationships with investigators of the Department of Insurance, the Bureau of Automotive Repair, as well as insurance company investigators within Special Investigative Units. These continued relationships are vital to ensuring the continued successful investigation and prosecution of applicant/insured fraud cases. Increasing the number of applicant/insured fraud cases remains a goal of primary importance to District Attorney Vern Pierson.

As previously mentioned, given the tourist destinations throughout El Dorado County, we often have economic auto theft cases that originate in other jurisdictions. This results in both the Deputy District Attorney and District Attorney Investigator collaborating with those outside agencies. It is our goal to continue fostering these relationships through an open line of communication with outside agencies. Working with our regional partners will be a vital component of that goal, as it provides a forum for a diverse group of agencies to sit down and bring our collective knowledge together on the issues that confront Sacramento area. As we noted herein, the numbers of actual insurance fraud and economic auto fraud cases fields is low, but the full investigation by a DA Investigator and review by Deputy DA who is specialized in investigation and prosecution of these cases is essential for us to attempt to ensure that we root out insurance fraud and help deter others from committing such crimes.

5. Applicant Question: Restitution and Fines

Describe the county's efforts and the district attorney's plan to obtain restitution and fines imposed by the court to the Automobile Fraud Account.

Applicant Response:

Since District Attorney Vern Pierson was elected in January of 2007, securing restitution for victims of crimes has been a major goal of the office. Just two years into Mr. Pierson’s tenure, our fraud unit assisted the Court in creating a restitution tracking system. This tracking system allows our support staff in our office to track whether restitution payments are being made and to ensure they are being made at regular intervals. If scheduled payments are missed, the staff is able to notify the Deputy District Attorney assigned to the case.

Another tool that has been utilized regularly within the auto fraud unit is to obtain a stipulation from the defendant to the amount of victim restitution when possible. This process ensures (1) the victim is compensated for his or her losses as a result of the defendant’s conduct, and (2) the victim is not further harassed by being forced to come into court for a contested restitution hearing.

Our office also attempts to contact the victim to determine if restitution is being requested. This process typically begins by sending a letter to the victim’s address. This letter outlines the victim’s rights under Marsy’s Law, and also provides the victim with a restitution claim form that they can submit to our office. Victims often send the claim form back to our office in a timely manner. To the extent that we do not hear back from the victim, our office will attempt to make contact with the victim by telephone. This policy is designed to ensure that we are obtaining victim restitution for as many victims as possible.

6. Applicant Question: Restitution Numbers

Provide the amount of restitution ordered and collected for the past five fiscal years.

If this information is not available, provide an explanation.

Applicant Response:

Fiscal Year	Restitution Ordered	Restitution Collected
2021-22	\$42,215.87	\$126.65
2020-21	\$65,533.00	\$3,297.00
2019-20	\$51,825.00	\$3,255.00
2018-19	\$119,670.00	\$2,146.00
2017-18	\$65,582.00	\$3,598.00
	Total: \$344,825.87	Total: \$12,422.65

7. Applicant Question: Utilization Plan

Your budget provides the amount of funds requested for Fiscal Year 22-23.

Provide a brief narrative description of your utilization plan for the Fiscal Year 22-23 requested funds.

If an increase is being requested, please provide a justification. Any information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 2, and marked "Utilization Plan."

Applicant Response:

The El Dorado County District Attorney's Office is requesting a total of \$232,717 for the 2022-2023 fiscal year. The office plans to fund 0.70 FTE of an Investigator and 0.10 FTE of an Attorney to investigate and prosecute Automobile Fraud cases. Our request also includes funding for 0.20 FTE Sr. Paralegal, who will assist with statistical tracking and legal administrative duties. Operating expenses include various items that are critical for the participation in the program such as, but not limited to, training/travel, software, office supplies, professional services, fuel, etc.

The District Attorney's Office was awarded a total of \$213,496 during FY 21/22. The slight increase in the funding request amount for FY 22/23 can be attributed to annual salary increases.

Sub Section Name: Training and Outreach

1. Applicant Question: Training Received

List the **insurance fraud** training received by each county staff member in the automobile fraud unit during Fiscal Year 21-22.

Applicant Response:

Name	Training Date	Provider	Location	Topic	Hours Credit
Andrea Luckenbach	10/19/2021	CDAA	Carlsbad, CA	Fraud Symposium	24
Miles Perry	10/19/2021	CDAA	Carlsbad, CA	Fraud Symposium	24

2. Applicant Question: Training and Outreach Provided

Upload and attach the Training and Outreach Provided form in Excel; label it "22-23 AUTO (county name) Training and Outreach Provided"

If, in the form, you listed any "Other, Specify" provide a brief explanation here; other additional comments are optional. The blank form is located in the Announcement Attachments, 1a.

Applicant Response:

Label attachment "22-23 AUTO (County) Training and Outreach"

Attachment:

[22-23 AUTO El Dorado Training and Outreach Provided.xlsx](#) - EXCEL DOCUMENT

3. Applicant Question: Future Training and Outreach

Describe what kind of training/outreach you plan to provide in Fiscal Year 22-23.

Applicant Response:

El Dorado County will continue to provide local law enforcement with regular trainings through our liaison program, educating law enforcement officers on how to investigate certain classes of crimes and providing them a forum to voice their concerns as well. To the extent that officers have immediate concerns that need to be addressed, we will continue to be available in person, by phone, or by email to be a resource and ensure that proper investigative techniques are utilized in all cases.

Deputy District Attorneys and District Attorney Investigators will attend the 2022 & 2023 El Dorado County Fair to educate the community on our office's job and responsibility in prosecuting cases as well as to provide a platform for members of the community to have the concerns heard.

Our office will continue to improve, implement, and expand a variety of social media outreach efforts.

The Deputy District Attorney and District Attorney Investigator will attend the 2022 CDAA Fraud Symposium in Palm Desert, CA in October.

Sub Section Name: Joint Plan

1. Applicant Question: Joint Plan

Upload your AUTO Joint Plan and label it "22-23 AUTO (county name) Joint Plan".

Each County is required to develop a Joint Plan with their CDI Regional Office, to be signed and dated by the Regional Office Captain and the Prosecutor in Charge of the Grant Program. Additional information is in the Announcement Attachments, 3c, and also copied into the attached instructions to this question.

Applicant Response:

Confirm signed and dated by all parties.

Attachment:

[22-23 AUTO El Dorado Joint Plan.pdf](#) - PDF FILE

Section Name: Investigation Case Reporting

Sub Section Name: Investigation Case Information Relating to Questions

1. Applicant Question: County Plan Investigation Information

Regarding the County Plan, Qualifications and Successes, Question One: include here any investigation case information. *The reference number/citation used in the question narrative response should be repeated here. If no investigation information was referenced, mark the N/A response. Task Force cases should specifically name the task force and your county personnel's specific involvement/role in the case.*

Applicant Response:

In *People v. Robert Edward Lee*, Docket #P19CRF0482, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with investigators from the California Highway Patrol Investigative Services Unit (ISU) to file a 10 count chop shop, stolen vehicle, and VIN switch case that spanned three different search warrant locations including two properties in a neighboring county. Investigators discovered approximately 10 stolen vehicles as well as numerous stolen vehicle parts including engines and also evidence of VIN switching. The assigned District Attorney Investigator conducted follow-up with several victims of the stolen vehicles and the District Attorney's Office was able to file additional charges and increase the maximum sentence for this Defendant. Moreover, Deputy District Attorney Miles Perry continues to coordinate with detectives from ISU regarding court preparation for the preliminary hearing in this case. This case is currently making its way through the court system and is a good example of this office's close interaction and collaboration with other allied agencies that investigate auto fraud and chop shop/VIN switch cases.

In *People v. Mike Zivkovich*, Docket # P19CRF0209, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with investigators from the California Highway Patrol Investigative Services Unit (ISU) regarding court preparation for the preliminary hearing in this 20 count chop shop and stolen vehicle case spanning multiple search warrant locations across multiple counties. On May 6, 2022, the Defendant pled to felony chop shop and stolen vehicle charges for an agreed upon sentence of 4 years county prison with two years of mandatory supervision. He was also ordered to pay restitution to the victims in the amount of \$4,376.96.

In *People v. Sonya Lossius*, Docket # P21CRF0469, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with investigators from the California Department of Insurance to successfully prosecute and convict the Defendant of felony insurance fraud charges. On March 15, 2022, the Defendant ultimately pled to felony insurance fraud under Penal Code Section 550(b)(2) and was sentenced to felony probation and ordered to pay victim restitution to the victim insurance company as part of the plea deal.

In *People v. Jose Gomez*, Docket # P21CRF0481, the District Attorney's Office auto fraud Deputy District Attorney Miles Perry along with assigned District Attorney Investigator Andrea Luckenbach worked closely with investigators from the California Department of Insurance to successfully prosecute and convict the Defendant of felony insurance fraud charges. On February 22, 2022, the Defendant ultimately pled to felony insurance fraud under Penal Code Section 550(b)92) and was sentenced to felony probation and ordered to pay victim restitution to the victim insurance company as part of the plea deal.

2. Applicant Question: Program Strategy Investigation Information

Regarding the Problem Statement & Program Strategy: Include here any investigation case information.

Be sure you include the reference number/citation used in the question narrative response again here. If no investigation information was referenced, mark the N/A response. Task Force cases should specifically name the task force and your county personnel's specific involvement/role in the case.

Applicant Response:

Not Applicable

Applicant Comment:

Not Applicable

Sub Section Name: Reporting on All Investigations

1. Applicant Question: Investigation Case Activity

Upload, mark Confidential, and attach the completed 22-23 AUTO (county name) Investigation Case Activity.

*This document requires information regarding each investigation case that was reported in FORM 7, DAR, Section III C (Investigations). Two of the three reporting components are case counts only. The total of the case counts in Part 1 and Part 2, along with the number of case entries in Part 3, should equal your total investigation case count reported in the DAR Section III. **Do NOT substitute descriptions in Part 3 in lieu of case counts for Part 1 and Part 2.** Further details are provided in the instructions attached to this question. The blank form is located in the Announcement Attachments, 1bii.*

Applicant Response:

[22-23 AUTO El Dorado Investigation Case Activity Revised.docx](#) - WORD DOCUMENT

Sub Section Name: New Investigation Information for Cases in Court

1. Applicant Question: Cases in Court Investigation Case Activity

Do you have NEW Investigation Information for cases that started the year in prosecution that you want to include? This section is optional.

*If you do have cases to report, download Announcement Attachment 1c, label it "**22-23 AUTO (county name) Cases in Court Investigation Case Activity**" **upload and mark confidential**, then attach to this question.*

Other than current status, no prosecution case information should be included.

Applicant Response:

Not Applicable

Applicant Comment:

Not Applicable

BUDGET REPORT

Project Name: FY 22-23 Auto El Dorado
Applicant Organization: El Dorado
Requested Amount: \$232,717.00
Funding Announcement Name: FY 22-23 Automobile Insurance Fraud Program



Expand All	Direct	Total
▶ Salary By Position	\$136,746.00	\$136,746.00

Supervising Attorneys		
Attorneys	\$17,424.00	\$17,424.00
Supervising Investigators		
Investigators (Sworn)	\$106,218.00	\$106,218.00
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.	\$13,104.00	\$13,104.00
Clerical Staff		
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary By Position - other		
Benefits	\$64,984.00	\$64,984.00
▶ Operating Expenses, General	\$21,542.00	\$21,542.00

Indirect Costs - 10% Method (Choose only 1 Indirect Cost Method)	\$13,675.00	\$13,675.00
Indirect Costs - 5% method (Choose only 1 Indirect Cost Method)		
Outreach		
Audit	\$3,700.00	\$3,700.00
Forensic Accounting Services		
Expert Consultant Fees	\$500.00	\$500.00
Witness Fees/Litigation Fees		
Undercover Operation Expenses		
Office Supplies	\$1,000.00	\$1,000.00
Office Space/Facility Fees	\$175.00	\$175.00
IT Services		
Communications (phone, etc.)	\$858.00	\$858.00
Membership Dues/Publications	\$180.00	\$180.00
Operating Expenses, General - other	\$1,454.00	\$1,454.00
▶ Operating Expenses, Detailed	\$3,160.00	\$3,160.00

Vehicle Fuel/Mileage, Maintenance, Parking (Identify # of Vehicles in Narrative)	\$2,200.00	\$2,200.00
Vehicle Other: Pool or Fleet Charge (Identify # of Vehicles in Narrative)		
Software Renewal (Identify in Narrative)	\$960.00	\$960.00
Software Purchase (Identify and Provide Justification in Narrative)		
Minor Equipment as defined in instructions (Identify in Narrative IF Over \$1,000 Combined Total)		
Equipment Lease/Maintenance (Identify in Narrative)		
Operating Expenses, Detailed - other		
▶ Operating Expenses, Travel and Training	\$6,285.00	\$6,285.00
Travel--In CA	\$5,085.00	\$5,085.00
Travel--Out of CA (Identify State and Purpose in Narrative)		
Training--In CA	\$1,200.00	\$1,200.00
Training--Out of CA (Identify State and Purpose in Narrative)		
Operating Expenses, Travel and Training - other		
▶ Equipment	\$0.00	

Computers (Provide Justification and % Billed to Each Program in Narrative)		
Printers/Scanners (Provide Justification and % Billed to Each Program in Narrative)		
Vehicle Code 3 Equipment (Provide Number and % Billed to Each Program in Narrative)		
Vehicles (Provide Justification and % Billed to Each Program in Narrative)		
Equipment - other		
Total	\$232,717.00	\$232,717.00

Budget Justification	Budget Calculations	Budget Narrative
▶ Salary By Position		
Supervising Attorneys		
Attorneys	No. of Positions: 1 Total FTE: 0.1 Total Cost: \$17,424.00 Total Requested Amount: \$17,424.00	

Supervising Investigators		
Investigators (Sworn)	No. of Positions: 1 Total FTE: 0.7 Total Cost: \$106,218.00 Total Requested Amount: \$106,218.00	
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		

Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.	No. of Positions: 1 Total FTE: 0.2 Total Cost: \$13,104.00 Total Requested Amount: \$13,104.00	
Clerical Staff		
Student Assistants		
Over Time: Investigators		

Over Time: Other Staff	
Salary By Position - other	
Benefits	
▶ Operating Expenses, General	
Indirect Costs - 10% Method (Choose only 1 Indirect Cost Method)	
Indirect Costs - 5% method (Choose only 1 Indirect Cost Method)	
Outreach	
Audit	
Forensic Accounting Services	
Expert Consultant Fees	

Witness Fees/Litigation Fees		
Undercover Operation Expenses		
Office Supplies		
Office Space/Facility Fees		
IT Services		
Communications (phone, etc.)		
Membership Dues/Publications		
Operating Expenses, General - other		
▶ Operating Expenses, Detailed		
Vehicle Fuel/Mileage, Maintenance, Parking (Identify # of Vehicles in Narrative)		Vehicle maintenance costs for (1) vehicle assigned to an Investigator. Anticipated maintenance and fuel costs for the year total \$2,200.
Vehicle Other: Pool or Fleet Charge (Identify # of Vehicles in Narrative)		

<p>Software Renewal (Identify in Narrative)</p>		<p>Software expenses for Transunion Criminal Database Search. Average monthly cost is \$80/month.</p>
<p>Software Purchase (Identify and Provide Justification in Narrative)</p>		
<p>Minor Equipment as defined in instructions (Identify in Narrative IF Over \$1,000 Combined Total)</p>		
<p>Equipment Lease/Maintenance (Identify in Narrative)</p>		
<p>Operating Expenses, Detailed - other</p>		

▶ Operating Expenses, Travel and Training

Travel--In CA	<p>No. of People: 2</p> <p>Total Cost: \$5,085.00</p> <p>Total Requested Amount: \$5,085.00</p>	<p>Travel expenses associated with Annual Insurance Fraud Seminar. Meals/Per Diem (per County Travel Policy & GSA Guidelines) = \$960 Ground Transportation = \$450 Airfare (est. \$500 per travel) = \$1,500 Lodging (per County Travel Policy & GSA Guidelines) = \$2,175</p>
Travel--Out of CA (Identify State and Purpose in Narrative)		
Training--In CA	<p>No. of People: 2</p> <p>Total Cost: \$1,200.00</p> <p>Total Requested Amount: \$1,200.00</p>	<p>(1) Investigator is expected to attend the Annual Insurance Fraud Seminar and the Northern California Fraud Insurance Association (NCFIA) Conference. (1) Attorney is expected to attend the Annual Insurance Fraud Seminar. Anticipated registration cost is \$400/event. (3) Trainings x \$400/registration = \$1,200</p>
Training--Out of CA (Identify State and Purpose in Narrative)		
Operating Expenses, Travel and Training - other		

► Equipment		
Computers (Provide Justification and % Billed to Each Program in Narrative)		
Printers/Scanners (Provide Justification and % Billed to Each Program in Narrative)		
Vehicle Code 3 Equipment (Provide Number and % Billed to Each Program in Narrative)		
Vehicles (Provide Justification and % Billed to Each Program in Narrative)		
Equipment - other		

