



LOS ANGELES COUNTY
CONSUMER & BUSINESS AFFAIRS

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Board of Supervisors

June 4, 2024

32 June 4, 2024

Hilda L. Solis
First District

Holly J. Mitchell
Second District

Lindsey P. Horvath
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZE THE DEPARTMENT OF CONSUMER AND BUSINESS
AFFAIRS TO EXTEND SUBAWARDS FOR DISPUTE RESOLUTION
PROGRAM (DRP) SERVICES
(3 VOTES - ALL DISTRICTS)**

Director

Rafael Carbajal

Chief Deputy

Joel Ayala

SUBJECT

The Department of Consumer and Business Affairs (DCBA) requests the Board's approval to extend Subawards to six (6) non-profit organizations and one (1) government entity (City of Los Angeles) while it finalizes the solicitation of new providers. This will allow continued Dispute Resolution Program (DRP) services.

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Director of DCBA or his designee to have the sole option to extend the current DRP subawards for up to six (6) months, for a maximum total Subaward term of five (5) years and six (6) months, not to extend beyond December 2024.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In 1986, the California Dispute Resolution Programs Act (DRPA) was signed into law. This law allows Los Angeles County DCBA to fund alternative dispute resolution services from a portion of the filing fees collected in civil court actions. Currently, seven (7) agencies are contracted to train and supervise mediators and volunteers who provide conciliation and mediation services, at little or no cost, to individuals, businesses, and organizations involved in various types of disputes throughout Los Angeles County. This reduces and/or eliminates the need to go through full court proceedings.



dcba.lacounty.gov
info@dcba.lacounty.gov

320 W. Temple St., Room G-10, Los Angeles CA, 90012-2706
(213) 974-1452 • (800) 593-8222 • Fax: (213) 687-1137

The current DRP subawards sunset on June 30, 2024. The DCBA is in the midst of a full solicitation that includes changes to the existing program design. The redesign will improve services being rendered in a more accessible, efficient, and effective manner. New DRP partners will be identified and contracted to provide services no later than January 1, 2025. The recommended actions will ensure continuous DRP services and allow DCBA to complete a Request for Proposal (RFP) solicitation.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended action is consistent with the County's Strategic Plan Goal I, Make Investments That Transform Lives.

FISCAL IMPACT/FINANCING

The DRP program is funded through civil court filing fees, pursuant to the California Dispute Resolution Program Act of 1986, that are collected in the DRP Special Fund established by the County. The estimated cost for this program for Fiscal Years 2019-20 through 2023-24 is \$9,059,000. The requested six-month extension will increase the cost by \$892,000, bringing the total program cost to approximately \$9,951,000.

There is no impact on the County General fund, as the DRP program is fully financed by the DRP Special Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Dispute Resolution Programs Act has designated the California Department of Consumer Affairs ("State") to oversee the statewide administration of all dispute resolution programs, and it has also authorized Los Angeles County DCBA to allocate a portion of the court filing fees it collects to implement and provide funding for the County's DRP.

The DRP assists people who live, work, or operate in Los Angeles County to resolve disputes using alternative means to formal judicial proceedings with the help of one (1) or more trained persons. DRP is essential in providing dispute resolution services that are less costly, less time consuming, and less complex than the traditional judge or jury system. It is also crucial in affording the diverse residents of Los Angeles County a process that is less formal, less intimidating, and more accessible than the traditional court system. A key difference from the traditional court system is that the disputants, rather than a judge or jury, are the primary decision makers in the outcome of their disputes.

The term of the current Subaward commenced on July 1, 2019, upon execution by the parties, and continued through June 30, 2020. Following the initial term as set forth above, County had the sole option to extend the Subaward term for up to four (4) additional one (1) year periods for a maximum total Subaward term of five (5) years. With the requested Board's delegated authority, DCBA may authorize an extension of up to six (6) months to allow for continued DRP services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

A continuation of the recommended action will allow DCBA to continue provisions of DRP services to individuals, businesses, and organizations involved in various types of disputes throughout Los Angeles County. As such, it is in the County's best interest to extend the Subawards and provide sufficient time for executing the new RFP.

Respectfully submitted,



Rafael Carbajal
Director

RC:AB:DL:ae

c: Executive Office, Board of Supervisors
County Counsel