



Contra Costa County

To: Board of Supervisors
From: David Twa, County Administrator
Date: June 9, 2015

Subject: Establish Dispute Resolution Program fund 112600 as interest-bearing

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Auditor-Controller to establish the existing Dispute Resolution Program fund 112600 as an interest-bearing fund as required by the Dispute Resolution Programs Act regulations for the deposit of revenues generated pursuant to the Act, as recommended by the County Administrator.

FISCAL IMPACT:

Approximately \$1,500 annual fiscal loss in interest earnings to the County General Fund. Annual interest earned on Fund 112600 is currently estimated at \$1,300. Interest earned on Fund 112600 will remain with the Dispute Resolution Program and not accrue to the County General Fund.

BACKGROUND:

The Dispute Resolution Program Act of 1986 (Business and Professional Code Sections 465, et seq.) provided for the establishment and funding, at County option, of local dispute resolution services as an alternative to formal court proceedings. The Act authorized participating counties to increase Superior, Municipal and Justice Courts filing fees from

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/09/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 9, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

ABSENT: Federal D. Glover, District V
Supervisor

By: Chris Heck, Deputy

Contact: V. Tran, 925-335-1037

cc:

one to three dollars for the purpose of funding local dispute resolution

BACKGROUND: (CONT'D)

programs.

On January 1, 1987, the Board approved the County's participation in the program and authorized a three dollar increase in court filing fees.

In 1998, the State updated the California Dispute Resolution Program Act and authorized counties to allocate up to \$8.00 from filing fees to generate new revenues for these local programs. Effective January 1, 1999, the dispute resolution portion of the civil filing fee in Contra Costa County increased from \$3.00 to \$8.00. The increase was approved by the Board of Supervisors pursuant to a request by the Superior Court.

The County anticipates continuing to receive about \$200,000 of revenue into Fund 112600 every year.

Business and Professions Code Section 467.2 requires the Dispute Resolution Program to be compliant with the applicable rules and regulations of the Dispute Resolution Advisory Council to be eligible for funding. Article 5 5, Section 3660 of the Regulations set by the Dispute Resolution Advisory Council requires (a) a county to create a separate interest-bearing account called the Dispute Resolution Program Account for the deposit of revenues generated pursuant to the Act.

(1) All filing fees collected by the county pursuant to the Act shall be deposited into the account.

(2) All interest which accrues to the account shall be deemed part of the account.

Approval of this Board Order will provide the necessary direction to the County Auditor's Office to establish the fund as required.

CONSEQUENCE OF NEGATIVE ACTION:

If the County does not establish Fund 112600 as interest-bearing, the County will not be in compliance with Dispute Resolution Programs Act regulations and will not be eligible for funding under the Act.