

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 8, 2018

CAO File No. 0220-04537-0011
Council File No. 18-0076
Council District: --

To: The Mayor and Council

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Board of Police Commissioners Transmittal dated January 16, 2018

Subject: **2017-19 INTELLECTUAL PROPERTY ENFORCEMENT GRANT PROGRAM**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the Chief of Police or his designee to:
 - a. Accept the grant award for the Fiscal Year 2017-19 Intellectual Property Enforcement Grant in the amount of \$400,000 for the period of October 1, 2017 through September 30, 2019, from the Bureau of Justice Administration, United States Department of Justice;
 - b. Negotiate and execute the Cooperative Agreement, subject to the approval of the City Attorney as to form;
 - c. Negotiate and execute a Memorandum of Agreement (MOA) with the Los Angeles County Sheriff's Department (LASD) for a term of two years within the applicable grant performance period, for a sum not to exceed \$170,560, for LASD's investigative role in the Los Angeles County Health Authority Law Enforcement Task Force (HALT), subject to the approval of the City Attorney as to form;
2. Authorize the Los Angeles Police Department (LAPD) to:
 - a. Spend up to the total grant amount of \$400,000 in accordance with the grant award agreement;
 - b. Submit grant reimbursement requests to the grantor and deposit the grant receipts in the Police Department Grants Fund No. 339, Department No. 70;
 - c. Prepare Controller instructions for any technical adjustments, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions;

3. Authorize the Controller to:

- a. Establish a grant receivable and appropriate \$400,000 to appropriation account, account number to be determined, within Fund No. 339, Department No. 70, for the receipt and disbursement of 2017-19 Intellectual Property Enforcement Grant funds; and,
- b. Increase appropriations for the 2017-19 Intellectual Property Enforcement Grant as needed from Appropriations Account No. to be determined in Fund No. 339, Department No. 70, to Fund No. 100, Department No. 70, account numbers and amounts as follows:

Account No. 001092, Sworn Overtime: \$ 229,440

SUMMARY

The Los Angeles Police Department (LAPD) is seeking approval to accept a \$400,000 grant award for the 2017-19 Intellectual Property Enforcement Grant from the United States Department of Justice, Bureau of Justice Assistance. The grant award has a performance period of October 1, 2017 through September 30, 2019. No matching funds are required.

BACKGROUND

The LAPD has been an annual recipient of the Intellectual Property (IP) Enforcement Program Grant since Fiscal Year (FY) 2009 with the exception of FY 2013 and 2015 when the LAPD did not apply for the grant. Through this grant funding, the LAPD has been able to strengthen its efforts in combating the proliferation of counterfeit goods; enforcing copyright, trademark, and patent laws; and deterring organized counterfeit manufacturing and distribution rings.

The \$400,000 grant award will allow the LAPD to fund a project entitled "Los Angeles Public Health and Safety IP Crime Enforcement and Prevention Program." The program will aim to implement strategies to reduce and prevent the spread of counterfeit and illicit pharmaceutical drugs and automobile parts throughout the Los Angeles region. The LAPD will allocate \$229,440 for sworn overtime to fund investigators in the LAPD Anti-Piracy Unit (APU). The LAPD will also allocate \$170,560 to enter into a Memorandum of Agreement (MOA) with the Los Angeles County Sheriff's Department (LASD) to fund overtime for an investigative Supervisor and five investigators. These investigative officers will dedicate time to the Los Angeles County Health Authority Law Enforcement Task Force (HALT) to meet the project's objectives related to Intellectual Property crime as well as participating in training and educational outreach.

The long-term goal of the LAPD is to reduce the supply of and demand for pirated merchandise and counterfeit activities in Los Angeles. The four main objectives under the FY 2017-19 Intellectual Property Enforcement Grant will be to: 1) Reduce the supply side of IP crime by working with Homeland Security U.S. Customs to monitor shipments inbound through the ports and airports for counterfeit and illicit pharmaceutical drugs and automobile parts; 2) Develop and evaluate additional strategies to address the changing trends and kinds of IP crimes and to prevent linkages to other national and international crimes; 3) Reduce the demand for IP crime by educating the

public about the health, economic, and personal dangers of IP crime; and, 4) Prevent IP crime displacement by sharing best practices.

FISCAL IMPACT STATEMENT

Approval of the recommendations within this report will allow for the expenditure of the 2017-19 Intellectual Property Enforcement Program grant award totaling \$400,000. There is no impact to the General Fund as a result of these actions. These actions are in compliance with the City's Financial Policies in that one-time revenue is used for one-time expenses. There are no matching funds required.

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