

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: May 15, 2019

CAO File No. 0220-04537-0012

Council File No. 19-0182

Council District: --

To: The Mayor and Council

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

Reference: Board of Police Commissioners Transmittal dated February 19, 2019;
supplemental information received May 14, 2019

Subject: **2018-20 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. Retroactively apply for and subsequently accept the grant award for the Fiscal Year 2018-20 Intellectual Property Enforcement (IPE) grant in the amount of \$400,000 for the period of October 1, 2018 through September 30, 2020, from the United States Department of Justice, Bureau of Justice Administration;
 - b. Negotiate and execute the Cooperative Agreement, 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 2018-20 IPE grant funds; and,

SUMMARY

The Los Angeles Police Department (LAPD) is seeking approval to accept a \$400,000 grant award for the 2018-20 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, 2018 through September 30, 2020. 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 "Reducing and Preventing Intellectual Property Crime in the City of Los Angeles." The intent of the program is to implement a three-pronged strategy to protect public health, safety, and economy from counterfeit goods, focusing on enforcement, analysis strategies, and public awareness of IP crime. Objectives of the program include: coordinating with federal law enforcement field offices to focus investigations on the highest priority violations, largest criminal enterprises, and instances of repeat offenders or efforts to evade law enforcement or private anti-counterfeiting efforts; enforcing criminal laws related to IP theft using overtime funded by the grant; reaching out and educating the general public to prevent, deter, and identify criminal violations of IP laws; attending training opportunities to improve investigations in the "dark-web" and de-anonymizing perpetrators of IP crime; and, spearheading an initiative to implement investigations and prosecutions of crimes occurring on the "dark-web."

The LAPD will allocate \$250,000 for sworn overtime to implement the aforementioned three-pronged strategy. There will also be \$150,000 allocated to the City Attorney's Office to partially fund a Deputy City Attorney II, who will dedicate a portion of their time to prosecute IP crimes. The Deputy City Attorney II in the IP position is an unfunded resolution authority that is provided in the City Attorney's Personnel Authority Resolution (PAR). Although no matching funds are required for this grant, the City must cover the remaining sworn salary costs. These costs are already included in the Adopted Budget and do not represent any additional General Fund impact.

The Recommendations in this report differ from the Recommended Actions in the Board of Police Commissioners transmittal due to incorrect account identification in Recommended Action items H and I.

FISCAL IMPACT STATEMENT

Approval of the recommendations within this report will allow for the expenditure of the Fiscal Year 2018-20 Intellectual Property Enforcement Program grant award totaling \$400,000. No matching funds are required for this grant. 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.