



September 21, 2015

The Honorable Todd Spitzer
Chairman
Board of Supervisors
County of Orange
333 West Santa Ana Boulevard
Santa Ana, California 92701

Subject: Agenda Item 16—GRIP Tutoring Contract

Dear Chairman Spitzer:

Orange County Business Council's mission is to enhance the economic prosperity of America's sixth largest county while maintaining a high quality of life. OCBC's members include some of the world's premiere employers and innovators, employing tens of thousands in Orange County and millions worldwide.

We note that the Orange County District Attorney is seeking to approve a model agreement and expend \$457,500 for tutors in a program to educate children in gang prevention activities. While the program appears to be a very worthy endeavor, OCBC's understanding is that funding for GRIP was derived from a contingency fee consumer protection lawsuit based upon, among other things, alleged product defects.

OCBC contended at the time, that the lawsuit filed was an overreach and an inappropriate use of the District Attorney's authority in light of the fact that numerous other federal agencies, private lawsuits and administrative processes were well underway. The District Attorney's additional civil action—especially when it included hiring outside counsel working on contingency fee—was troubling to us, especially as it ultimately resulted in a "settlement" that may be the source for funding this GRIP program.

We note that a recent, similar "contingency fee" lawsuit the District Attorney filed against five makers of opioid painkillers—having gone through previous extensive FDA trial and review--was dismissed by the court with a sternly worded opinion—and another good example of why district attorneys should not partner with private attorneys to sue businesses.

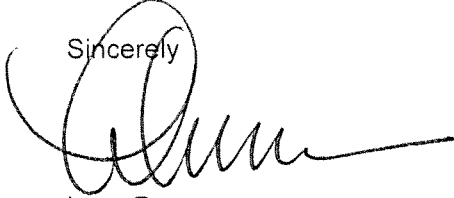
OCBC contends that there should be some form of board oversight on these "contingency fee" lawsuits. So-called "voluntary settlements" have the perception of "shakedown settlements" especially when the funds from settlement are used for completely unrelated government programs than the basis of the lawsuit—in this case, consumer protection.

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Further, OCBC encourages the board of supervisors to enquire on the long-term funding of the GRIP program. Cynically, one must ask: will another "contingency fee lawsuit" need to be filed and "settled" to continue its funding? Why can't an appropriate, balanced government budget allocate funding for GRIP?

Finally, OCBC encourages the board of supervisors and district attorney to use funds from consumer protection lawsuits for consumer protection. As worthy as gang prevention may be, it's connection to a product defect case settlement does not appear to be clear or reasonable.

Sincerely

A handwritten signature in black ink, appearing to read 'Lucy Dunn', with a long horizontal flourish extending to the right.

Lucy Dunn
President and CEO

LD:l

Cc: Tony Rackauckas, OC District Attorney
Orange County Board of Supervisors