



# TERRA LAWSON-REMER

## CHAIR

SUPERVISOR, THIRD DISTRICT  
SAN DIEGO COUNTY BOARD OF SUPERVISORS

### AGENDA ITEM

**DATE:** 03/24/2026

**19**

**TO:** Board of Supervisors

#### **SUBJECT**

**ESTABLISHING A COUNTY CONSUMER FAIRNESS & PUBLIC PROTECTION UNIT TO PROTECT RESIDENTS AND ENFORCE THE RULE OF LAW USING DEDICATED SETTLEMENT FUNDS (DISTRICTS: ALL)**

#### **OVERVIEW**

San Diego County is facing an affordability crisis that goes beyond the cost of housing alone. Environmental contamination, bad-faith health insurance denials, and corporate practices that break the rules are compounding everyday costs for families and small businesses alike. Hidden fees, predatory financial practices, unlawful debt collection, deceptive business conduct, and unfair housing practices are quietly draining household budgets. Seniors lose fixed incomes to overdraft charges, service members are steered into abusive loans, families face mounting medical bills when insurers unlawfully deny care, and honest businesses are undercut by competitors who profit through deception.

Together, these practices function as an invisible “unfairness tax,” raising the cost of living without improving services, wages, or quality of life.

The federal government, particularly through the gutting of the Consumer Financial Protection Bureau, has given up on protecting the public, leaving a widening vacuum in consumer and civil law enforcement. And as national oversight has weakened, corporate misconduct has grown more sophisticated, with exploitative businesses not playing by the rules, including digital scams, AI-generated fraud, predatory fintech products, environmental contamination and Tijuana River pollution that harms public health, and bad-faith health insurance denials.

This enforcement gap allows harm to persist, despite the diligent and tireless work of local enforcement bodies, including the District Attorney’s Office. The volume and complexity of corporate misconduct today simply exceed the capacity of any single office. State agencies must focus on large statewide cases, and city attorneys, legal aid organizations, and community groups often lack the resources to take on complex corporate misconduct. Structural barriers such as

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mandatory arbitration clauses and opaque corporate ownership further limit private enforcement, allowing illegal practices to continue largely unchecked. This leaves many harms, especially among vulnerable communities and local small businesses, without an effective public enforcement response.

The County of San Diego (County) can step into this gap and make sure residents are not left to fight corporate abuse on their own.

The proposed **Consumer Fairness and Public Protection (CFPP) Unit**, housed within the Office of County Counsel, will strengthen the County's ability to pursue proactive consumer protection, civil enforcement, and affirmative litigation against corporations and entities that harm residents through illegal, deceptive, or predatory practices. CFPP will help close enforcement gaps, coordinate with partner agencies, and act where no other entity can.

In addition, CFPP would include a mediation and early resolution function to help residents who are facing unlawful fees, deceptive charges, or unfair practices. This function would allow the County to contact businesses directly, seek refunds or corrective action where appropriate, and stop ongoing harm quickly. When informal resolution is not sufficient or a broader pattern of misconduct is identified, CFPP would escalate the matter to formal civil enforcement.

CFPP will complement and amplify the work of existing enforcement partners across the region and state. Consumer and public protection today are shared among many entities, including the California Attorney General, the San Diego County District Attorney, City Attorneys, state and federal regulators, and legal aid and nonprofit organizations that represent harmed residents. Each plays a critical role, but each also operates within specific jurisdictional, legal, and resource constraints.

Within this ecosystem, the District Attorney's Office plays a vital role in protecting residents, especially through criminal and civil prosecution, and has shown leadership in combating fentanyl trafficking, protecting victims of domestic violence and human trafficking, prosecuting complex violent crimes, and pursuing financial crimes. Protecting San Diego County consumers from harm and unlawful business and environmental practices has been a priority for the District Attorney's Office who established its consumer protection unit in 1971 and is currently considered a leader in California in both civil and criminal consumer protection.

CFPP fills a complementary need by expanding the County's civil enforcement role to address corporate misconduct that may not be reached through criminal prosecution or that requires sustained civil litigation to stop ongoing harm. That is exactly what the State had in mind when it passed SB 461 (2021), recognizing a widening enforcement gap and authorizing large counties to bring civil actions on behalf of the People. Since then, Los Angeles County and Santa Clara County have used this authority to build dedicated civil enforcement capacity. San Diego alone has not yet taken advantage of this tool. Establishing CFPP would allow the County of San Diego to step into that role.

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CFPP will focus on high-impact areas where unlawful practices are driving up costs and harming residents, including environmental pollution affecting the Tijuana River Valley, deceptive and bad-faith health insurance practices, predatory lending and debt collection schemes, PFAS and other toxic contamination, dangerous or defective consumer products sold in violation of safety and consumer protection laws, and housing- and tenant-related fraud. In these areas, the CFPP Unit would use existing civil enforcement tools to stop ongoing harm, secure restitution, and deter repeat misconduct.

This effort builds on the County Counsel’s existing work, which has already resulted in significant victories from opioid litigation, tobacco cases, ghost gun litigation, and other matters. The unit will enforce existing state and federal laws, will not create new regulatory requirements, and will not assume criminal prosecutorial functions.

The CFPP unit will not rely on taxpayer funding. Experience from similar units shows they can generate public dollars through enforcement fines and settlements. It will be launched using existing, restricted consumer protection settlement dollars and structured over time as a revolving enforcement and recovery fund, allowing penalties and settlements secured through enforcement to sustain and expand the work without competing with other County budget priorities.

Strong enforcement is a strategic use of public resources. When families are drained by illegal fees, fraudulent schemes, or unlawful housing practices, the costs often show up later in County systems, from emergency housing and public assistance to legal aid and healthcare. Preventing harm reduces those downstream pressures and protects honest businesses that play by the rules but are undercut by bad actors.

Together, these actions help stop the practices that quietly make life more expensive for working families, protect honest businesses, and make sure the rules are enforced fairly and consistently.

**RECOMMENDATION(S)  
CHAIR TERRA LAWSON-REMER**

1. Direct County Counsel, in coordination with the Chief Administrative Officer, to establish a Consumer Fairness and Public Protection (CFPP) Unit, to serve as a permanent, enterprise-level civil enforcement and affirmative litigation function of the County, focused on consumer protection, consumer product safety, financial abuse, unfair competition, environmental justice, and economic fairness. The CFPP unit shall be housed within the Office of County Counsel, with authority to investigate, initiate, and litigate affirmative civil enforcement actions under local, state and federal law, including but not limited to mass torts, unfair competition, false advertising, consumer financial protection, and related statutes.

Administrative Code 142 shall be amended to provide standing authority for the County Counsel and the CFPP to bring lawsuits on behalf of the County.

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The unit shall be led by a CFPP Director, who shall serve as a senior Assistant County Counsel or equivalent classification, reporting directly to the County Counsel. The Director shall possess significant demonstrated expertise in consumer protection, complex civil litigation, and public enforcement.

The unit shall be staffed with up to 30 FTEs within two years of Board authorization.

The unit shall work collaboratively to develop coordination protocols with other enforcement agencies, such as the San Diego County District Attorney, City Attorneys, the California Attorney General and California Department of Justice to ensure deconfliction, referral of potential criminal matters, and alignment of enforcement priorities where appropriate.

2. Direct County Counsel, in coordination with the Chief Administrative Officer, to establish within the CFPP Unit an intake and early-resolution function for consumer and financial protection complaints.

This intake system shall be designed primarily to identify systemic patterns of unlawful conduct, repeat actors, and high-impact enforcement opportunities.

This function shall be carefully limited and shall not operate as a general consumer mediation program, dispute-resolution service, or substitute for private legal representation. Individual complaints that do not present evidence of systemic or repeat harm may be referred to appropriate agencies, nonprofit legal aid providers, or dispute-resolution resources.

3. County Counsel may create a CFPP Community Advisory Working Group, composed of local litigation technical experts and community members grounded in lived experience who will advise the CFPP Unit on emerging local patterns and issues of consumer and civil harm. This Working Group will meet to help the CFPP Unit stay responsive to real-world conditions. Furthermore, the working group will help advise county counsel on the hiring process for the CFPP Director, each time the position is filled, that includes meaningful stakeholder input and is designed to ensure strong technical expertise, sound judgment, and community credibility. In developing and carrying out that process, County Counsel may consult with individuals or groups with experience in consumer protection, complex civil litigation, and issues affecting impacted communities.

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4. Refer to the Fiscal Year 2026-27 CAO Recommended Operational Plan the appropriation of \$2,400,000 in the Office of County Counsel for the Consumer Fairness and Public Protection (CFPP) Unit based on available settlement funds held in the Consumer Fraud Trust Fund.
5. Direct the Auditor & Controller to establish a trust fund under the administration of the Office of County Counsel and transfer \$30.0 million in available settlement funds from the Prop64 Consumer Fraud-County Trust Fund #46618 (Consumer Fraud Trust Fund) to support the first five years of initial operations estimated for the CFPP, consistent with the consumer protection purposes of those funds and with the same legal and financial restrictions as the Consumer Fraud Trust Fund.
6. Direct the County Counsel, in coordination with the Chief Administrative Officer and Chief Financial Officer, to ensure that all funds are used in accordance with federal and state laws, and any settlement restrictions.
7. Direct County Counsel to establish a Law and Policy Research and Development Project for the CFPP Unit and to develop formal partnerships with accredited law schools. This may include models such as the San Francisco Affirmative Litigation Project in partnership with Yale Law School, which has successfully supported complex public enforcement work for more than two decades. These partnerships will allow for students to support the unit's work, including through legal research, factual development, and strategic case development. Authorize County Counsel to design and modify these partnerships over time, including through clinics, externships, independent study projects, or collaborations with academic institutes or nonprofit entities, consistent with the Board's policy direction, ethical and legal requirements, and the operational needs of the CFPP.
8. Direct County Counsel to present an annual public report to the Board detailing enforcement activity, restitution secured, injunctive relief obtained, early-resolution outcomes, intake trends, and coordination efforts.

**EQUITY IMPACT STATEMENT**

The collapse of federal consumer protection enforcement disproportionately harms low-income families, communities of color, immigrants, seniors, active-duty military families and veterans, and individuals with limited English proficiency—groups historically targeted by predatory and deceptive financial practices. A dedicated Consumer Fairness and Public Protection (CFPP) unit will promote equity by strengthening local enforcement capacity, restoring protections lost at the federal level, and ensuring that vulnerable residents have access to restitution, legal recourse, and

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meaningful remedies. The unit will also protect small businesses that are harmed when competitors break the law, supporting a fair and equitable marketplace.

**SUSTAINABILITY IMPACT STATEMENT**

Strengthening consumer protections will improve long-term economic stability for San Diego residents by preventing fraud, debt traps, and financial exploitation that push families into crisis and reliance on public services. Recoveries from enforcement actions will be reinvested into the unit, creating a sustainable model that supports a resilient local economy and reduces strain on County safety-net systems.

**FISCAL IMPACT**

There is no fiscal impact for Fiscal Year (FY) 2025-26. If approved, there will be costs and revenue of approximately \$2,400,000 that will be referred for consideration to the FY 2026-27 CAO Recommended Operational Plan, in the Office of County Counsel based on available settlement funds held in the Consumer Fraud Trust Fund for the initial implementation and staffing of the CFPP unit, including the addition of 8 staff years and associated services and supplies (approximately \$1,880,000), and the one-time implementation cost of the consumer portal and intake system (approximately \$520,000).

Beginning in FY 2027-28, there would be ongoing costs of approximately \$6.2 million – 7.4 million per year for the full implementation and staffing of the CFPP Unit, including 30 staff years and associated services and supplies (approximately \$6.1 million - \$7.3 million per year), and the ongoing licensing and maintenance for the consumer portal and intake system (approximately \$65,000 per year). The funding source is anticipated to be settlement funds held in the Consumer Fraud Trust Fund. Beyond FY 2030-31, the CFPP Unit is expected to bring in new settlement funds as an ongoing funding source to be self-sustaining.

There is no anticipated change in net General Fund cost. There may be future costs which staff would return to the Board for consideration and approval and/or inclusion in future Operational Plans.

**BUSINESS IMPACT STATEMENT**

Stronger enforcement levels the playing field for honest businesses that follow the rules but struggle to compete against bad actors who profit from deception or exploitation. In this way, CFPP is not only a consumer protection initiative, but pro-competition, pro-integrity, and essential to a functioning local economy. By tackling consumer and community harms that drain household resources and destabilize neighborhoods, CFPP also supports a healthier local workforce, strengthens small business conditions, and promotes more stable, sustainable economic growth across the region.

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## **ADVISORY BOARD STATEMENT**

N/A

## **BACKGROUND**

Affordability is no longer defined solely by the cost of housing, food, or transportation. For many San Diegans, it is shaped just as powerfully by a steady accumulation of unfair fees, deceptive practices, unlawful conduct, environmental pollution and Tijuana River sewage public health harms that impose real financial burdens on families and communities.

Rental junk fees, abusive debt collection, predatory auto sales, wage theft, and fraudulent financial products function as an “unfairness tax.” These costs hit hardest for working families who are already stretched thin.

Some communities are targeted more aggressively than others. Active-duty military personnel and their families are frequently steered into predatory auto loans, high-cost credit, and exploitative rental arrangements near military bases. Neighborhoods already burdened by environmental and public health harms, such as toxic cross-border sewage in the Tijuana River Valley, as well as PFAS and toxic contamination, often face added financial strain from medical costs, property impacts, lost work, health risks, and long-term economic instability.

Research shows that consumer and worker protection violations disproportionately impact working families and communities of color, increasing financial instability, accelerating debt, and exacerbating housing insecurity.<sup>1</sup> In San Diego County, where the cost of living is among the highest in the nation, these unlawful practices can be the difference between staying housed, keeping a vehicle, or making payroll at the end of the month.<sup>2</sup>

### **A. Growing Enforcement Gaps**

At the same time, enforcement capacity has not kept pace with the scale or sophistication of these harms. In 2024, U.S. consumers reported losing more than \$12.5 billion to scams and fraud, a 25 % increase over the previous year, illustrating how scams are becoming more financially damaging and sophisticated.<sup>3</sup>

- Federal consumer protection enforcement has been gutted by the federal administration, leaving significant gaps in oversight of financial markets, debt collection, rental practices, and emerging business models.<sup>4</sup>

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<sup>1</sup> <https://www.naag.org/attorney-general-journal/communities-of-color-fraud-and-consumer-protection-agencies/#:~:text=and%20consumer%20issues,-,1,and%20deceptive%20practices%20that%20abound.>

<sup>2</sup> <https://uwsd.org/what-it-really-costs-to-get-by-in-san-diego-county-the-real-cost-measure-study-explained/>

<sup>3</sup> [https://www.ftc.gov/news-events/news/press-releases/2025/03/new-ftc-data-show-big-jump-reported-losses-fraud-125-billion-2024?utm\\_source=chatgpt.com](https://www.ftc.gov/news-events/news/press-releases/2025/03/new-ftc-data-show-big-jump-reported-losses-fraud-125-billion-2024?utm_source=chatgpt.com)

<sup>4</sup> <https://consumerfed.org/trump-trashes-the-economy-and-leaves-americans-vulnerable-two-disastrous-months-of-trumps-cfpb/>

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- State-level enforcement remains essential but necessarily prioritizes matters of statewide or national significance, leaving many locally concentrated violations unaddressed.<sup>5</sup>
- Local nonprofit legal aid organizations provide critical services but are structurally limited in their ability to pursue large-scale affirmative litigation, particularly against well-resourced corporate defendants.<sup>6</sup>

As a result, many unlawful practices continue not because they are legal, but because public agencies do not have the capacity to bring cases at the scale required. Arbitration clauses, complex corporate structures, and repeat-player defendants further shield bad actors from private enforcement, allowing illegal practices to continue largely unchecked.<sup>7</sup>

The Economic Crimes and Consumer Protection Division of the San Diego County District Attorney’s Office, which includes the Consumer Protection Unit (CPU), has played an important role in protecting consumers across San Diego County and California for decades. Over the years, the CPU has secured hundreds of civil judgments and criminal convictions addressing unlawful business practices, consumer fraud, and deceptive conduct, including major cases involving industries such as telecommunications, timeshares, and subscription services.<sup>8</sup> This unit aims to complement and amplify the District Attorney’s efforts, as well as the efforts of other partnering agencies, and protect communities.

California State Law SB 461 was passed in 2021 in response to growing enforcement gaps and the need for a stronger local response. This law explicitly authorizes County Counsels in large counties to bring civil enforcement actions under California’s Unfair Competition Law on behalf of the People of the State of California. Since that authority was granted, peer counties including Santa Clara and Los Angeles have established dedicated civil enforcement units. San Diego County has not, leaving a clear gap in local enforcement that this proposal is designed to fill.

Given the volume of unlawful conduct, the sophistication of corporate actors, and the scale of harm to San Diego residents, no single office can meet this need alone. CFPP expands the County’s enforcement capacity so that more bad actors are held accountable, more residents receive restitution, and fewer unlawful practices fall through the cracks.

## **B. Launching a Consumer Fairness and Public Protection Unit (CFPP)**

The County is uniquely positioned to respond to this enforcement gap. The County sits at the center of residents’ daily economic lives through housing, labor standards, public health, environmental

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<sup>5</sup> <https://www.sfcityattorney.org/wp-content/uploads/2019/04/A-Practical-Guide-to-Affirmative-Litigation-FINAL-4.13.19-1.pdf>

<sup>6</sup> <https://www.lsc.gov/about-lsc/what-legal-aid/unmet-need-legal-aid/justice-gap-measuring-unmet-civil-legal-needs-low#:~:text=Low%2Dincome%20Americans-,The%20Justice%20Gap:%20Measuring%20the%20Unmet%20Civil%20Legal%20Needs%20of,to%20a%20lack%20of%20resources.>

<sup>7</sup> <https://www.epi.org/publication/unchecked-corporate-power/>

<sup>8</sup> [2024 DA Annual Report.pdf](#)

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protection, and consumer-facing services.<sup>9</sup> The County also receives dedicated consumer protection settlement funds that are expressly intended to support civil enforcement.<sup>10</sup> When strategically deployed, these funds can support enforcement actions that both return money to harmed residents and deter future misconduct, creating a virtuous cycle of accountability and reinvestment.<sup>11</sup>

All other large California counties have demonstrated the value of this approach -- San Diego is the last major county without such a unit. Jurisdictions such as Los Angeles, Santa Clara, and San Francisco have built affirmative civil enforcement capacity within their County Counsel or City Attorney offices, recovering millions of dollars for residents while addressing systemic practices that undermine affordability, fair competition, and public trust.<sup>12</sup> These models show that local enforcement can complement state and federal efforts, while focusing on harms that are most acutely felt at the community level.<sup>13</sup> San Diego is the only qualifying County that has yet to take steps.<sup>14</sup>

Establishing a Consumer Fairness and Public Protection (CFPP) unit within County Counsel represents a strategic, evidence-based response to these conditions. Rather than creating a new regulatory bureaucracy, CFPP would consolidate and scale the County's existing civil enforcement authority to address unfair, deceptive, and unlawful practices that directly impact affordability, economic stability, and public confidence in the marketplace.

This approach reflects three core principles:

1. Targeted Enforcement Where Harm Is Greatest

CFPP would prioritize harms that affect large numbers of San Diego County residents, particularly in areas such as housing, debt collection, auto sales, wage theft, and consumer financial products, sectors repeatedly identified by regulators and researchers as high-risk for abuse.<sup>15</sup>

2. Protection of Vulnerable Populations and Local Economies

Robust civil enforcement protects not only individual consumers and workers, but also law-abiding businesses that are undercut by unfair competition. It reinforces public

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<sup>9</sup> <https://www.sandiegocounty.gov/content/sdc/openbudget/en/budget-summary.html>

<sup>10</sup> <https://codes.findlaw.com/ca/business-and-professions-code/bpc-sect-17206/>

<sup>11</sup> <https://www.sfcityattorney.org/wp-content/uploads/2019/04/A-Practical-Guide-to-Affirmative-Litigation-FINAL-4.13.19-1.pdf>

<sup>12</sup> <https://www.sandiegouniontribune.com/2025/12/27/how-san-diego-county-could-soon-crack-down-on-polluters-landlords-and-insurers/>

<sup>13</sup> <https://www.sfcityattorney.org/wp-content/uploads/2019/04/A-Practical-Guide-to-Affirmative-Litigation-FINAL-4.13.19-1.pdf>

<sup>14</sup> [California Code, Business and Professions Code - BPC § 17206 | FindLaw](https://codes.findlaw.com/ca/business-and-professions-code/bpc-sect-17206/)

<sup>15</sup> <https://www.ftc.gov/enforcement/consumer-sentinel-network>

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confidence that the rules apply evenly and that economic participation in San Diego County is not conditioned on the ability to absorb exploitation.<sup>16</sup>

3. Efficient Use of Public Resources

By leveraging settlement recoveries and civil penalties to support ongoing enforcement, CFPP would reduce reliance on discretionary General Fund resources while ensuring that enforcement activity remains focused on restitution, deterrence, and compliance, not revenue generation.<sup>17</sup>

In an era of rising costs, shrinking federal oversight, and increasingly complex market practices, failing to act will leave bad actors free to keep draining household budgets and weakening our local economy. Establishing CFPP is a practical step to protect residents' purchasing power, strengthen accountability, and ensure that affordability is not undermined by unlawful practices.

The CFPP unit can tackle key issues plaguing our region, including:

- **Cross-Border Environmental Accountability, Tijuana River Valley Pollution:** U.S.-based industrial actors have contributed to toxic pollutants that worsen contamination in the Tijuana River Valley, harming regional public health and ecosystems. CFPP could pursue civil enforcement and injunctive relief against domestic polluters whose actions contribute to cross-border environmental damage. Health Insurer
- **Bad-Faith and Deceptive Coverage Practices:** Health insurers increasingly deny, delay, or underpay legitimate claims using opaque processes and automated decision systems, straining hospitals and harming patients. CFPP could investigate deceptive network representations and unlawful claims practices that mislead consumers and destabilize care access.
- **Predatory Financial Practices and Debt Collection Scams:** Abusive lending, hidden contract terms, and aggressive debt collection schemes drain wealth from working families, seniors, veterans, and young adults, while digital scams continue to evolve. CFPP could target repeat offenders, secure restitution, and deter emerging forms of consumer financial fraud.
- **PFAS and Toxic Chemical Contamination:** PFAS manufacturers have been linked to widespread contamination of drinking water systems, creating long-term public health and cleanup costs. CFPP could coordinate with other jurisdictions to pursue civil actions that recover remediation costs and hold manufacturers financially accountable.
- **Housing and Tenant Protection Violations:** Deceptive property management practices, unlawful eviction schemes, algorithmic rent-setting, and biased tenant screening tools are emerging threats to renters. CFPP could use existing consumer protection and unfair

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<sup>16</sup> <https://www.consumerfinance.gov/about-us/newsroom/remarks-by-richard-cordray-at-the-brookings-institution/>

<sup>17</sup> <https://sfcityattorney.org/aboutus/affirmative-litigation/#:~:text=The%20program%20is%20funded%20virtually%20exclusively%20by,Affirmative%20Litigation%20Project%20at%20Yale%20Law%20School.>

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competition laws to pursue landlords and firms that violate tenants' rights or engage in housing-related fraud.

### **C. Scope and Structure of the CFPP Unit**

#### **Legal Authority and Enforcement Guardrails**

CFPP will operate within clearly defined legal and ethical guardrails to ensure focused, principled enforcement:

- CFPP will enforce existing laws only and will not promulgate regulations.
- Case selection will prioritize systemic, repeat, and high-impact violations, not individual disputes.
- Matters suggesting criminal conduct will be referred promptly to the District Attorney or appropriate agency.
- All enforcement decisions will be governed by County Counsel ethical obligations and prosecutorial discretion standards.
- CFPP will not function as a general complaint-resolution, ombudsman, or concierge dispute-resolution office.

The Consumer Complaint Mediation and Early Resolution team shall be limited to:

- Screening and triaging complaints for evidence of systemic, repeat, or high-impact violations;
- Utilizing structured early compliance outreach where such outreach advances public enforcement objectives;
- Escalating matters to formal investigation or litigation where serious harm warrants immediate enforcement action.

#### **Law School Partnerships and Law & Policy Research and Development Project**

To hold powerful actors accountable, CFPP will need the capacity to investigate complex industries, develop strong legal theories, and build cases that can stand up in court. That kind of work is research-intensive, and building it entirely with County staff would be costly and slow.

To expand capacity responsibly, County Counsel will be authorized to partner with accredited law schools through a Law and Policy Research and Development Project.

This model has been used successfully for more than 20 years by the San Francisco City Attorney's Office in partnership with Yale Law School to support complex public-interest enforcement work.

Under this project, law students and recent graduates, supervised by County Counsel attorneys, may assist with legal research, factual development, and policy analysis. Their work will focus on identifying systemic harms, strong case strategies, and emerging risks affecting San Diego County

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residents. The emphasis will be on supporting large, high-impact enforcement cases, not resolving individual complaints.

County Counsel will retain full control over case selection and litigation decisions. Law school partnerships are intended to strengthen preparation and analysis, not determine which cases are filed. Partnerships may take the form of clinics, externships, or research collaborations and may be adjusted over time based on effectiveness and County needs.

This approach allows the County to stretch public dollars further, bring in additional research capacity, and help train the next generation of public-interest lawyers, while keeping enforcement decisions firmly in public hands.

County Counsel will report annually on these partnerships and how the work contributed to investigations and enforcement outcomes.

### **Budget and Cost Recovery Strategy**

The CFPP Unit will operate at an annual budget of approximately \$4.4 million, including overhead, litigation costs, technology, and intake infrastructure. It is assumed that available settlement funds in the Consumer Fraud Trust Fund would be used for the first five years of operations, allowing the CFPP Unit to scale deliberately while pursuing long-term cost recovery through enforcement outcomes.

Further, the CFPP Unit, like many similar units in other jurisdictions, will work towards a near-term cost recovery model through civil penalties and remedies authorized under consumer protection and unfair competition laws, fee recovery where permitted by status, and settlement structures that support ongoing enforcement capacity.

The CFPP Unit is expected to become self-sustaining after approximately five years, making efficient use of County resources, while maintaining safeguards to ensure enforcement priorities remain driven by public harm rather than revenue generation.

### **Intake System Design**

To ensure the CFPP Unit remains focused on stopping unlawful conduct while still responding to residents, its intake system would serve two main purposes:

#### **1. Identify Patterns of Illegal Conduct**

Complaints received from residents would not be treated as isolated disputes. CFPP staff would review and analyze complaint data to identify repeat actors, systemic violations, and emerging schemes that may warrant investigation or formal civil enforcement.

#### **2. Pursue Early Corrective Action Where Appropriate**

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When there is credible evidence of unlawful or deceptive conduct, CFPP may contact the business before filing suit to seek prompt corrective action. This may include demanding that improper charges stop, requiring restitution to affected consumers, or directing the business to change unlawful practices.

This early engagement is intended to stop harm quickly—particularly in smaller-dollar or early-stage matters where resolution can prevent broader injury. If a business refuses to cooperate, fails to correct violations, or if the conduct is severe or widespread, CFPP would escalate the matter to formal investigation or litigation.

The intake system would include:

- A dedicated consumer protection hotline;
- A multilingual online complaint and referral portal;
- Clear referral pathways to Legal Aid, nonprofit dispute resolution programs, the District Attorney, City Attorneys, and other appropriate agencies when matters fall outside CFPP’s jurisdiction; and
- Data analysis capacity to detect repeat offenders and emerging patterns of misconduct.

CFPP shall prioritize systemic impact over individual dispute resolution and shall not attempt to mediate all consumer complaints received.

### **Outside Counsel Policy**

Use of outside counsel, where necessary, will be governed by clear policies:

- County Counsel will retain full control over litigation strategy, settlement decisions, and public interest objectives.
- Conflict-of-interest and transparency safeguards will apply to all outside counsel engagements.

### **Success Metrics & Accountability**

To ensure transparency and accountability, CFPP will report annually on:

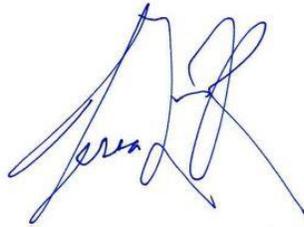
- Intake volume and issue-area trends
- Investigations opened and resolved
- Injunctive relief obtained and unlawful practices halted
- Restitution or monetary relief returned to residents
- Non-monetary outcomes, including compliance reforms and deterrence effects
- These metrics will emphasize public impact and harm reduction, not revenue generation.
- The number of early resolution matters initiated, compliance secured, and matters escalated to formal investigations or litigation.

**SUBJECT:** ESTABLISHING A COUNTY CONSUMER FAIRNESS & PUBLIC PROTECTION UNIT TO PROTECT RESIDENTS AND ENFORCE THE RULE OF LAW USING DEDICATED SETTLEMENT FUNDS  
(DISTRICTS: ALL)

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

The establishment of this new unit aligns with the County’s 2026–2031 Strategic Plan by strengthening economic security, promoting fairness, protecting consumers, reducing fraud, and supporting thriving communities. Ensuring that residents are protected from deceptive practices and predatory actors support the County’s goals around community well-being, equity, and economic resilience.

Respectfully submitted,



TERRA LAWSON-REMER  
Supervisor, Third District

**ATTACHMENT(S)**

N/A