

MOTION

In 2019, the City enacted the Los Angeles Civil and Human Rights Ordinance to protect its residents and visitors against discrimination in the private sector areas of commerce, education, employment, and housing. Subsequently, the City also passed an ordinance to establish the Civil and Human Rights and Equity Department (CHRED) to investigate discrimination claims and enforce the Civil and Human Rights Ordinance across the City.

In March 2024, the City and CHRED announced its inaugural Notice of Violation under the Civil Rights law against Smart & Final Stores, LLC and Non-Stop Security Services for discriminatory conduct with one of its shoppers. Smart & Final Stores, LLC was issued a \$10,000 penalty and Non-Stop Security Services received a \$5,000 fine. Smart & Final Stores, LLC paid the penalty, while Non-Stop Security Services agreed to a settlement involving a reduced fine and commitment to retrain their staff to prevent similar incidents in the future.

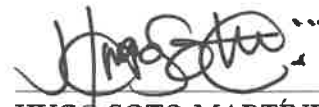
One-time Council action was required for CHRED to accept the payment from Smart & Final Stores, LLC, as well as to pay the claimant in the matter. CHRED is seeking to establish a process by which to accept penalties and fees and make payments to claimants by creating a Civil Rights Trust Fund for its civil rights enforcement efforts. The City has established various trust funds to carry out special functions and projects, including the Department of Cultural Affairs' Arts Development Fund, the Department of Transportation's Mobile Source Air Pollution Reduction Trust Fund, and the Department of Public Works' Environmental Affairs Trust Fund.

Creation of the Civil Rights Trust Fund would allow the Department to collect administrative and compensatory penalties for civil rights violations, as well as make payments to claimants in accordance with Los Angeles Municipal Code Section 51.07. Any administrative penalties received would assist the Department with enforcing the City's civil rights laws, including, but not limited to, technical services and training for investigators, case management systems for investigations and litigation, court reporters, and process servers.

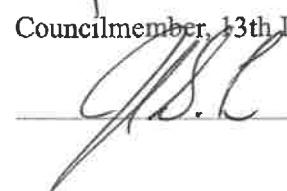
I THEREFORE MOVE that the Council instruct the City Administrative Officer (CAO) and the Civil and Human Rights and Equity Department (CHRED), with the assistance of the City Attorney, to report in 30 days on the establishment of a Civil Rights Trust Fund, which should address the need for the Fund to assist with departmental operations, as well as recommendations on how the fund should be managed.

I FURTHER MOVE that the Council request the City Attorney, with the assistance of the CAO and CHRED, to prepare and present an ordinance to establish the Civil Rights Trust Fund.

PRESENTED BY:


HUGO SOTO-MARTÍNEZ
Councilmember, 13th District

SECONDED BY:



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