

MOTION

Late last year, the City Council adopted a motion, as amended, to address unscrupulous consumer practices of some banks. The Council's action requested the City Attorney to prepare a draft ordinance amending the City's Responsible Banking Investment Monitoring Program to include the promotion of responsible consumer banking by any bank doing business with the City along with whistleblower protections for bank workers who report to authorities suspected illegal banking practices. The Council also directed the Office of Finance to ensure that banks responding to a City RFP for financial services comply with all consumer financial protection laws, are not or have not been the subject of litigation or judicial rulings with regard to such practices, are respecting environmental concerns with regard to their infrastructure and project financing practices, and require each responding bidder to certify that they are not engaged in unscrupulous consumer banking practices, such as predatory sales goals.

On May 11, 2017, the City Attorney transmitted the draft ordinance amending the Responsible Banking Investment Monitoring Program consistent with the Council's request. Office of Finance is also working on drafting a financial services RFP that will include provisions as sought by Council.

However, more should be done.

I MOVE that the City Council request that the City Attorney, with assistance from the Office of Finance, CAO and CLA, to revise the draft ordinance to address the following issues:

1. Banks should certify that they afford bank workers with whistleblower protection if workers report to authorities bank predatory sales practices; and
2. Office of Finance, consistent with the City's fiduciary responsibilities and the prudent investment rules imposed on cities under state law, should score financial service bids so that bidders will receive lower evaluation scores if they have been found by federal or state regulators or the judiciary to have violated consumer protection laws or regulations, including for discriminatory, unfair, deceptive, predatory, abusive or illegal practices.

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~~Author:~~ Communication from  
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