

RESOLUTION RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, existing law provides that any person who engages, has engaged or proposes to engage in unfair competition shall be liable for a civil penalty not exceeding \$2,500 per violation; and

WHEREAS, section 17206 (c) of the Business and Professions Code requires that one-half of penalties awarded by an action brought by a city attorney shall be kept by the city and one-half be paid to the treasurer of the county in which the judgment was entered; and

WHEREAS, under Proposition 64 (2004), only public prosecutors can file lawsuits charging unfair business practices, and even if a city attorney receives no assistance from a county district attorney in the prosecution of a case, half of the civil penalties collected must go to the County; and

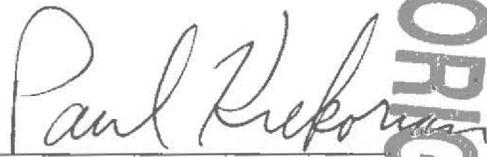
WHEREAS, the requirement of dividing funds between the City and the County may discourage city attorneys from independently bringing unfair competition actions, as the financial incentives are tempered relative to the sources expended; and

WHEREAS, AB 1477 provides that: (1) with regard to an unfair practice action brought by a city attorney of a city with a population in excess of 750,000, the penalty collected shall be paid to the treasurer of that city; and (2) penalties collected from an unfair competition suit brought by two or more authorized persons shall be divided in a manner that is mutually agreeable; and

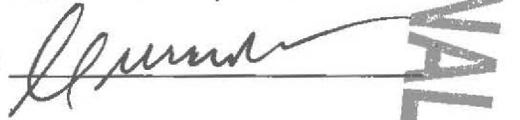
WHEREAS, AB 1477 will ensure an equitable distribution of penalties awarded under the Unfair Competition Act and empower eligible city attorneys to prosecute against dishonest businesses in the interest of consumers and the environment;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles, hereby includes in its 2019-20 State Legislative Program SUPPORT to AB 1477 (Gloria), which would amend sections of the Business and Professions Code to fairly distribute collected penalties to the entity initiating the charges and/or litigation against unfair competition practices.

PRESENTED BY:


PAUL KERKORIAN
Councilmember, 2nd District

SECONDED BY:



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