

Los Angeles County Consumer Affairs Advisory Commission Meeting

Minutes
Thursday, July 14, 2016

Item 1: Call to Order: Vice-Chair Jayne called the meeting to order at 10:40 a.m. in the absence of the Chair.

Item 2: Roll Call and Confirmation of Quorum: The quorum requirement was not met with the commissioners present.

Present: Ronnie Jayne, Farrell J. Chiles, Mike Gomez, Sylvia Southerland, Joan Patsy Ostroy, Ross Viselman, Susan Jerich

Absent: Dennis Arguelles, Karine Bagdasarian, Vivian Chan, Mark Ramos, K. W. Tulloss, Ho-Jeong Eun, Joseph Lee

Staff: Joel Ayala, Caroline Torosis, Keven Chavez, Debbie Cabreira-Johnson, Amanda Hernandez, Espie Hernandez

Public: None

Item 3: Action Item: Approval of Minutes for the Consumer Affairs Advisory Commission Meeting on May 19, 2016: The minutes for the May 19, 2016 commission meeting were not approved. A quorum was not present.

Item 4: Department Update

Caroline Torosis, from Consumer & Business Affairs (DCBA) Policy Unit provided the updates below.

- **Financial Empowerment:** The Center for Financial Empowerment program will be the first of its kind house in the County of Los Angeles. The Center will focus on two demographic populations: Youth ages 14-24 in particular foster youth, and individuals who are eligible for the State, and or Federal Earned Income Tax Credit.
- **Wage Enforcement Program:** On July 1st, 2016 DCBA launched the Wage Enforcement Program. Since then the unit has received over 300 phone calls and inquires. The Wage Enforcement Unit is working with the City of Los Angeles, and the Labor Commissioner's Office to take a regional approach on working together on this issue.
- **Porter Ranch:** Since the Board of Supervisors had appointed DCBA to investigate Porter Ranch complaints. DCBA Investigations Unit has been working closely with the City Attorney to resolve unpaid reimbursement expenses complaints. Reimbursements complaints range from housing, meals, and mileage, to miscellaneous expenses.
- **Deferred Immigration:** Since April when arguments were heard in regards to the injunction on DAPA/DACA. The court had a 4/4 vote ending with the decision of the injunction to not be lifted and stay as is. Since the decision, DCBA as well as Supervisor Hilda Solis's task force has been working on education and informing consumers about the immigration scams and services to help them if they have been of victim of immigration fraud.
- **Small Business:** Recently the Board of Supervisors passed the Small Business Utilization Motion. A goal for County procurement to have small businesses and disabled veteran business reach a 25% 8%

utilization goal. Currently Small Business has been working on incentives to get more small business attracted to want to participate in County contract bids such as SB preference.

Item 5: Payday Lending Legislation

Caroline Torosis, from DCBA's Policy Unit gave the full Commission an overview on payday lenders, and how these lenders fill a critical role in the economy by lending to consumers who wouldn't be able to get a loan by their bank per say, but these lenders also contribute to consumers being trapped in a never ending lending cycle. Some solution brought up by the Commission were:

- Full payment test, upfront determination by looking if the consumer would be able to repay full amount.
- Evaluate if the consumer would be able to meet financial obligations after 30 days
- Have banks to give written notice when going to collect amount from account.
- Limit age to 21 for payday loans

The Commission would like to know how they could help as a full Commission. Caroline Torosis recommend the full Commission partner up with our new Center for Financial Empowerment Program (CFEP) that will roll out September 1st, 2016 to educate and help identify schools, churches, and non-profits that CFE could partner up with.

Item 6: Women and Credit Issues Report

Caroline Torosis, from DCBA's Public Policy Unit provided the full Commission with an overview in regards to women and credit. There are laws in place that do protect women from being discriminated against their sex, such as the 1968 consumer credit act. Although women who divorce and had taken their spouses last name do have a hard time reestablishing their own credit, due to all their credit history being tied to their ex-spouses. Mrs. Torosis recommend to the full Commission they also work with CFE in regards to this problem to help women retain their own credit.

Item 7: Center for Financial Empowerment Update

Keven Chavez, from DCBA's Outreach Unit gave the full Commission an overview of the Center for Financial Empowerment Program. In March DCBA was asked by the Board of Supervisors to assess the feasibility of a CFEP with the goal of the program to lift County resident out of poverty. In June the Board agreed to a two year pilot program for the CFEP with it being housed in DCBA's Outreach Unit. Outreach plans is to be a one stop shop with the goal to coordinate, and align County services to be able to refer consumers the correct financial services starting September 1, 2016. Two demographics were selected to track over the two year period to be able to report back to the Board on:

The first demographic is youth ages 14-24 in particular foster youth. Outreach will participate in youth programs to reach out and educate youth:

- Outreach plans on incorporating financial literacy into Community and Senior Service summer job program to help youth learn about handling their money.
- Outreach also plans on partnering with the Department of Public Social Services for their Cash for Grad program were selected students provide proof of their high school graduation and receive \$400.00 for graduating. Outreach would then offer a financial literacy course were the student could receive an additional \$100.00 for completing the course. The student would receive a total of \$500.00 from the County but also financial literacy to empower the student.
- DCBA Outreach Unit is the state wide coordinator of an online life skills program called Life Smarts teaching youth consumer issue. A nationwide competition is held every year. Where this year DCBA sent one staff member to represent California at the championship. Outreach hopes to increase participation in this program by outreaching to youth groups, churches, YMCA, and other non-profits who serve youth.

The second demographic that Outreach will focus is eligible Earned Income Tax Credit individuals. Many consumers don't know they are eligible for either the State and or Federal earned income tax credit, and Outreach plans on helping these individuals claim this credit by training County employees on becoming tax preparers.

- DCBA Outreach Unit will partner with the Volunteer Income Tax Assistance Program which offers free tax help for low income households (VITA) to have County employees help these individuals on receiving their earned income tax credit
- Outreach will first train DCBA employees on tax preparation and move on County wide training.
- DCBA employees will receive training by the IRS, and Franchise tax board.
- Training will start in October so that DCBA employees will be ready for the upcoming tax season.

Item 8: Subcommittee Update

The chairs from the respected subcommittee provided an update to the Commission on what their committees have been working on:

- **Legislative**
In the absence of Chair Ramos, Commissioner Chiles informed the Commission the committee is doing research on legislative bills that the Commission maybe in support of.
- **Public Information**
Chair Gomez provided the Commission an overview on the upcoming Commission Advisory meeting in the Second District of South Los Angeles with the venue being at Southwest College. The subject matter will be the same as the March 17, 2016 Commission Advisory meeting in the City of El Monte. With the theme being Financial Empowerment tying it into the launch of (CFE)
- **Deferred Action Task Force**
Chair Ostroy, updated the Commission on the DAPA/DACA status. With the status of it being on hold. The committee has decided to redirect its efforts and take on financial empowerment work.

Item 9: Change of Location/Time for September 15th Commission Meeting

This item has been tabled for special committee meeting to discuss the detail of the upcoming September 15th meeting in the Second District.

Item 10: With DAPA/DACA on hold the committee will focus its efforts on vulnerable populations. The subcommittee is proposing the following name change: Education & Immigration Outreach. Due to the quorum requirement not being met the Commission could not vote on the name change.

Item 11: Public Comment: - None

Item 12: Future Agenda Items

- Center for Financial Empowerment

Item 13: Adjournment: The meeting was adjourned at 12:03 p.m.