

BUDGET AND FINANCE COMMITTEE REPORT relative to a scoring system to rate insurers based on the extent to which they invest in companies engaged in fossil fuel operations.

Recommendations for Council action, pursuant to Motion (Blumenfield - Bonin):

1. INSTRUCT the City Administrative Officer (CAO), Risk Management, with the cooperation of Department Chief Sustainability Officers, to report in 30 days with:
 - a. An inventory of insurance policies held by the city.
 - b. A method for evaluating insurers based on the extent to which they invest in and underwrite companies engaged in fossil fuel operations that pose the greatest harm to the environment, including coal mining, tar sand drilling, and pipeline transport.
2. INSTRUCT the CAO and request the Airport, Water and Power, and Harbor departments to report in 90 days with options for how to use this evaluation method when choosing companies from which to purchase or renew insurance.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes.

For: Sunland-Tujunga Neighborhood Council
Northwest San Pedro Neighborhood Council
Eagle Rock Neighborhood Council
Arroyo Seco Neighborhood Council
Silver Lake Neighborhood Council
Historic Cultural Neighborhood Council
Wilshire Center-Koreatown Neighborhood Council
Greater Wilshire Neighborhood Council
East Hollywood Neighborhood Council
Los Feliz Neighborhood Council

SUMMARY

At the meeting held on February 22, 2021, the Budget and Finance Committee considered a Motion (Blumenfield - Bonin) relative to instructing the CAO, Risk Management, with the cooperation of Department Chief Sustainability Officers, to report with a scoring system to rate insurers based on the extent to which they invest in companies engaged in fossil fuel operations, and request the CAO and the Airport, Water and Power, and Harbor departments to report with options for how to take the above rating into account when choosing companies from which to purchase or renew insurance.

After an opportunity for public comment was held, the Committee moved to approve the recommendation contained in the Motion, as amended, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
BLUMENFIELD:	YES
DE LEON:	YES
RODRIGUEZ:	YES
PRICE:	YES

MM2-22-21 Council file No. 20-0492

-NOT OFFICIAL UNTIL COUNCIL ACTS-