

MOTION

RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

Recently, the City of Los Angeles has gone through multiple precarious budget years. Meanwhile City fee and fine collections have not kept pace with costs to provide services. Fees and fines are charged by departments as cost recovery for expenses, and require studies that confirm the amount of fee or fine is proportional to the expense to the City to administer.

Changing these amounts is typically a lengthy process, and as a result, fee and fine studies are not undertaken regularly by most departments. Some departments do allow for administrative adjustments to fees in years without fee studies such as the standards adopted by the Department of City Planning whose fee ordinance contains language to automatically adjust and adopt fee changes in years without a fee study without requiring additional Council approval. However such approaches are not common.


As the Chief Administrative Officer (CAO) noted in one Financial Status Report, "full cost recovery is an essential component in addressing the City's structural budgetary challenges on an ongoing basis." The CAO's office is responsible for analyzing the status of cost recovery across City Departments, but is not authorized to mandate regular fee updates. Some fee studies are even so old the CAO cannot accurately predict how much subsidy the City's General Fund is providing to cover the cost of services.

I THEREFORE MOVE that the City Attorney be requested to prepare and present the documents necessary to place on the November 2026 ballot a measure that would amend the Charter to include a requirement that all charter and ordinance departments which charge fees will be required to institute a regular schedule of fee studies to happen under a defined schedule set by the Chief Administrative Officer and to include a line item in each department's budget request for such funding.

I FURTHER MOVE that the City Attorney be requested to prepare and present the documents necessary to place on the November 2026 ballot a measure that would amend the Charter to include authorization for the Chief Administrative Officer to:


- direct the order of departmental fee studies
- set a specific deadline when the City will require complete departmental compliance with the five year schedule,
- recommend adjusted deadlines for compliance from all or single departments for the authorization City Council,
- regularly report on the status of departmental compliance,
- request budgetary support for fee studies, and
- prepare and present to the City Council any model ordinances which further achieve a more complete process for cost recovery, such as an annual automatic adjustment process in non-fee study years.

PRESENTED BY:



HUGO SOTO-MARTINEZ
Councilmember, 13th District

SECONDED BY:




APR 29 2026

ORIGINAL