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CONSUMER TASK FORCE ON MARITAL STATUS DISCRIMINATION

FINAL REPORT

"Unmarried Adults: A New Majority
Seeks Consumer Protection"

Thomas F. Coleman
Chairperson

CONSUMER TASK FORCE ON MARITAL STATUS DISCRIMINATION

Hon. James K. Hahn
City Attorney;

March 29, 1990

Hon. Tom Bradley
Mayor;

Hon. Rick Tuttle
Controller;

Hon. Members of the
Los Angeles City Council;

People of the City of Los Angeles:

The Consumer Task Force on Marital Status Discrimination is pleased to submit its final report and recommendations for your consideration.

The Consumer Task Force was convened by City Attorney James K. Hahn, with instructions to determine the extent to which businesses in Los Angeles may discriminate against unmarried consumers and to recommend ways to reduce any unjust business practices. In furtherance of that mandate, we reviewed consumer demographics, held public hearings, investigated the business practices of many companies, received numerous communications from local consumers, and conducted legal research.

We found that marital status discrimination against consumers is widespread. This is both ironic and unacceptable, considering the fact that 55% of adults in Los Angeles are unmarried and considering that marital status discrimination has been illegal in California for more than a decade.

We call on you, as our elected officials, to lead the fight against discrimination. As a relatively new majority, unmarried individuals and couples need greater legal protection from discrimination. This can be accomplished through consumer education and voluntary compliance by private sector businesses. Clarification of public policies and more vigorous enforcement of consumer protection laws are also necessary.

Through our implementation committee, we look forward to working with you to make the proposals in this report become a reality. When we issue our progress report next year, we hope that the extent of discrimination will have been reduced and the level of consumer protection enhanced.

Sincerely,



THOMAS F. COLEMAN
Chairperson

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GLOSSARY OF TERMS

As used in this Report, these terms have the following meanings:

Consumer means any individual or couple who seeks or acquires, by purchase or lease, any goods, services, money, or credit for personal, family, or household purposes.¹

Marital Status means an individual's or couple's state of marriage, non-marriage, divorce or dissolution, separation, widowhood, annulment, or other marital state.²

Discrimination means the refusal to sell or lease goods, services, or housing, cancellation of the same, or providing such goods, services, or accommodations on inferior terms, conditions, or privileges.³

1. Adapted from Business and Professions Code Section 302(c).

2. Adapted from California Administrative Code, Title 2, Section 7292.1(a); Hess v. Fair Employment and Housing Commission (1982) 138 Cal.App.3d 232, 235; Markman v. Colonial Mortgage Service Co. (D.C. Cir. 1979) 605 F.2d 566, 569.

3. Adapted from Government Code Section 12927(c)

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SUMMARY OF FINDINGS AND RECOMMENDATIONS

Findings of the Consumer Task Force

Demographics. The majority (55%) of adults in the City of Los Angeles are not married. Statewide, about 40% of adults are either single, divorced, separated, widowed, or live with an unmarried partner.

Extent of Discrimination. Discrimination against unmarried individuals and couples is widespread. Such discrimination is not limited to Los Angeles. It is a national problem that needs immediate attention.

Types of Discrimination. Marital status discrimination is pervasive in many industries. Various insurance companies, airlines, health clubs, lending institutions, automobile and travel clubs, newspapers, and landlords discriminate against unmarried individuals and couples. Some forms of discrimination are quite blatant while others are more subtle.

Public Policy. California has a strong public policy to protect the freedom of choice of individuals to marry, or not to marry, from outside interference, regardless of whether it may stem from the public or private sectors of society. The state's policy in favor of marriage does not imply a corresponding policy to discriminate against nonmarital relationships.

Legal Protections. Marital status discrimination has been against the law in California for more than a decade. Some statutes and regulations specifically prohibit "marital status" discrimination. Others prohibit arbitrary discrimination or unfair business practices.

Administrative Gaps. Many agencies with jurisdiction to protect consumers have not effectively addressed marital status discrimination. Most consumer protection programs focus almost exclusively on consumer fraud and virtually ignore the issue of discrimination.

Signs of Change. Efforts to end marital status discrimination against consumers can only be truly successful with the voluntary cooperation of the business community. Fortunately, there are some signs of change. Some discriminating companies have halted such practices. Others are considering changes in their corporate policies.

Consumer Education. Consumer protection depends largely on consumer education. Unfortunately, consumer education is virtually absent from the formal education of students in California's schools. An effective consumer education campaign could begin through a public/private partnership among major businesses, educational institutions, and consumer protection agencies.

Leadership. Some local elected officials and several candidates for statewide office have pledged to use their positions of leadership to protect consumers against marital status discrimination.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

Recommendations of the Consumer Task Force

HOUSING

Consumer Education. The Department of Fair Employment and Housing should mention "sexual orientation" discrimination in all of its brochures and should explain that discrimination by businesses against unmarried individuals and couples is illegal.

Expanded Investigations. The Fair Housing Councils should recruit unmarried adults to serve as volunteers. The city should contract with the Councils to conduct periodic audits to check the level of marital status discrimination in housing.

Judicial Protection. The City Attorney should file a friend-of-the-court brief in a pending case to preserve existing legal protections against a major assault by some landlords who want to discriminate against unmarried couples.

Board-and-Care Homes. Public and private agencies should promote specific regulations protecting elderly and disabled residents from marital status discrimination, educate service providers, and monitor compliance.

INSURANCE

Voluntary Compliance. Insurance companies should discontinue using marital status as an underwriting criterion and educate agents and brokers that discrimination is prohibited.

Judicial Protection. The Insurance Commissioner should vigorously defend in court the new regulations prohibiting marital status discrimination in automobile insurance underwriting. The City Attorney should join the lawsuits as a friend of the court.

Expand Regulations. The Insurance Commissioner should declare marital status discrimination as an unfair practice in all lines of insurance. Life insurance companies should be instructed to stop interfering with an applicant's right to name any beneficiary of his or her choice.

CREDIT

Credit Card Perks. The Attorney General should render an opinion as to whether or not credit institutions violate existing laws when they offer benefits to credit card holders and their spouses but not to credit card holders and their unmarried partners.

Credit Unions. Credit unions should eliminate marital status discrimination from their industry by allowing unmarried partners to become members.

AIRLINES

Voluntary Compliance. Airlines should voluntarily stop limiting discounts and other benefits to customers and their spouses.

Local Investigation. The Airport Commission should survey the airlines using LAX airport to determine if any have promotions or discounts that are granted to "spouses" but not unmarried partners or household members. The City Attorney should take appropriate action against any airline that discriminates against unmarried consumers.

MEMBERSHIP ORGANIZATIONS

Health Clubs. The City Attorney should instruct local health clubs that discriminate against unmarried consumers to discontinue such practices, and seek injunctive relief if voluntary compliance is not forthcoming.

A.A.R.P. The American Association of Retired Persons should revise its membership policies by eliminating discrimination against unmarried couples or household members.

Auto and Travel Clubs. The City Attorney should instruct Chevron Travel Club and the Automobile Club of Southern California to stop granting discounts to married couples but not to unmarried couples or household members. If voluntary action is not forthcoming, a complaint should be filed with the state Department of Fair Employment and Housing as a violation of the Unruh Civil Rights Act.

Country Clubs. The City Council should add "marital status" to the new city law against private club discrimination. The Legislature should disallow business deductions for expenditures at clubs that discriminate on the basis of marital status.

HOSPITALS AND NURSING HOMES

Hospital Visitation Policies. The Hospital Association of Southern California should encourage members to eliminate any marital status discrimination that may exist in hospital visitation rules.

Conservatorships. The law should require that notice be given to the unmarried partner of a patient when a conservatorship proceeding is initiated. Also, the law should require a court order before visitation rights are restricted. Court rules should be revised to protect the rights of patients who have an unmarried partner.

Patients Rights. The City Attorney should convene a meeting of all state agencies with jurisdiction over patients rights. The meeting should focus on ways to implement this report. "Marital status" should be added to patient's rights regulations against discrimination. State government should find ways to remove "marriage penalties" from disability benefits programs and should eliminate marital status discrimination from Medi-Cal eligibility guidelines.

RIGHTS OF SURVIVORS

Funeral Industry. The State Board of Funeral Directors and the Cemetery Board should evaluate this report, conduct educational seminars for licensed professionals, and include the concerns of unmarried adults in any consumer education programs.

Newspaper Obituaries. The state and national Newspaper Publishers Association should encourage members to eliminate marital status discrimination that may exist in editorial policies for obituaries.

Jail Inmates. Los Angeles County should initiate a study to determine the feasibility of expanding the definition of "immediate family" so that inmates may be eligible for emergency leaves for a critical illness or funeral of a long-term unmarried partner.

EDUCATION ON CONSUMER PROTECTION

Develop Model Curriculum. The City Attorney should convene a meeting of consumer protection agencies and education administrators to promote legislation to authorize the development of a "Model Curriculum on Consumer Education" for use in grades K through 12.

Consumer Protection Materials. The City Council should authorize funding for the City Attorney to develop and distribute a brochure entitled "Marital Status Discrimination -- Your Rights and Remedies." The Attorney General's Office should also update its booklet on "Unlawful Discrimination."

Education of Businesses. The City Council should require the City Clerk to include a notice regarding the illegality of discrimination against consumers in the annual mailing of "Business Tax Renewal" forms to all businesses registered with the city. The City Attorney should offer to provide literature and speakers to Chambers of Commerce and other business and professional associations on the subject of marital status discrimination against consumers.

Education of Law Enforcement. The Los Angeles City Attorney and the San Francisco District Attorney should jointly develop materials and speakers on marital status discrimination against consumers for use by state and national associations of district and city attorneys.

CITY ORDINANCE

Expand City Contractor Nondiscrimination Law. The current city law prohibiting discrimination by city contractors should be amended to prohibit discrimination on the basis of "marital status" and "medical condition." The ordinance should be expanded to prohibit discrimination against tenants and consumers and not merely against employees.

**"[T]he Consumer Task Force has found that
discrimination against unmarried individuals and
couples is, in fact, widespread."**

INTRODUCTION

After two years of study and deliberation, the Los Angeles City Task Force on Family Diversity issued its final report in 1988. The report found that marital status discrimination against unmarried couples was widespread, both in the workplace and in the marketplace. In addition to unfairness in many employee benefits programs, the Family Diversity Report documented discrimination in rental housing, insurance, consumer discounts, and survivors rights. It concluded that such discriminatory business practices were unjust and that the problem merited further attention. To that end, several recommendations were directed to the Los Angeles City Attorney. Responding to those proposals, the City Attorney convened the Consumer Task Force to review the matter more thoroughly.

Not much has changed in the two years since the Family Diversity Report was issued -- at least not in connection with marital status discrimination. Through public hearings and independent research, the Consumer Task Force has found that discrimination against unmarried individuals and couples is, in fact, widespread.

Although marital status discrimination is pervasive, there are some signs of change. Several businesses that formerly discriminated against unmarried couples have discontinued their discriminatory practices. Others have expressed a willingness to review the matter. Some elected officials and political candidates have adopted visible positions against marital status discrimination. It appears that discrimination against unmarried individuals and couples has become an issue of increasing interest to agencies and leaders in both the public and private sectors.

Mandate. Los Angeles City Attorney James K. Hahn convened the Consumer Task Force on Marital Status Discrimination on October 31, 1989. Hahn asked the Task Force to determine the extent to which businesses may discriminate against Los Angeles consumers on the basis of marital status and to recommend ways to reduce any unjust business practices. Although the Consumer Task Force has concluded that marital status discrimination should be eliminated from employee benefits programs as a matter of pay equity and basic fairness to employees, this report does not deal directly with this issue because our mandate directs us to focus on consumer issues and not employer-employee relations.

Method of Study. The Task Force engaged in a variety of activities in response to the City Attorney's mandate. In addition to conducting three public hearings, the Task Force also reviewed many letters that it received from consumers and businesses.⁴ Law student interns conducted factual investigations and legal research.⁵ Task Force members and agency liaisons supplied valuable insights and other resource materials.

Members. Members of the Task Force represent a broad range of constituencies and interests. Several members serve on other city boards and commissions, including the Human Relations Commission, the Commission on the Status of Women, and the Rent Adjustment Board. Members have backgrounds in insurance, fair housing, consumer protection, journalism, and legal advocacy for singles, seniors, persons with disabilities, and gays and lesbians. The business community participated, with representatives appointed from Kaiser Permanente as well as the Apartment Association and the Chamber of Commerce of Greater Los Angeles. Several deputy city attorneys also served on the Task Force. The California Department of Insurance and the California Fair Employment and Housing Department each assigned a liaison to work with the Task Force throughout its study.

Public Hearings. During the past few months, the Task Force conducted three public hearings at which it heard from nearly 30 witnesses.⁶ Arlo Smith, the District Attorney of San Francisco, attended the first hearing and promised to raise the issue of marital status discrimination against consumers at upcoming meetings of the state and national associations of district attorneys. Three major candidates for the new post of Insurance Commissioner also addressed the Task Force, all promising to take aggressive action against marital status discrimination by insurance companies. Consumers who testified complained of discrimination by landlords, insurance companies, credit unions, airlines, health clubs, newspapers, and nursing homes. Several businesses appeared, including the Greater Los Angeles Zoo Association, SAFECO Insurance Company, Automobile Club of Southern California, Forest Lawn Memorial Parks, and the Los Angeles Times.

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4. Supplement to Final Report, otherwise referred to as "Supplement," pp. 7-29; 65-80.
 5. "Supplement," pp. 143-189.
 6. "Supplement," pp. 191-275.

"The dynamics of marital status discrimination are very much like those involving other forms of discrimination. Fear, ignorance, or greed usually lies at the core of the problem."

MARITAL STATUS DISCRIMINATION AGAINST CONSUMERS

"The face of discrimination in any form is ugly."

-- James K. Hahn
Los Angeles City Attorney
October 30, 1989

The City of Los Angeles has long been in the forefront of the ongoing struggle to end discrimination against women and minorities. Years ago, the Mayor and the City Council created a policy of equal opportunity in city employment, adopted an affirmative action program, and established a Human Relations Commission and a Commission on the Status of Women. Contractors who do business with the city are prohibited from discriminating in employment against women and minorities. Augmenting state laws targeting discrimination by private sector landlords and employers, the city has passed ordinances prohibiting discrimination against lesbians and gay men, persons with AIDS, and families with children. The city has shown an increasing resolve to end discrimination against persons with disabilities, as evidenced by the creation of a city Commission on Disabilities and a Disability Access Appeals Board.

The dynamics of marital status discrimination are very much like those involving other forms of discrimination. Fear, ignorance, or greed usually lies at the core of the problem. The victim suffers emotional distress and economic loss. The solution depends on education and law enforcement.

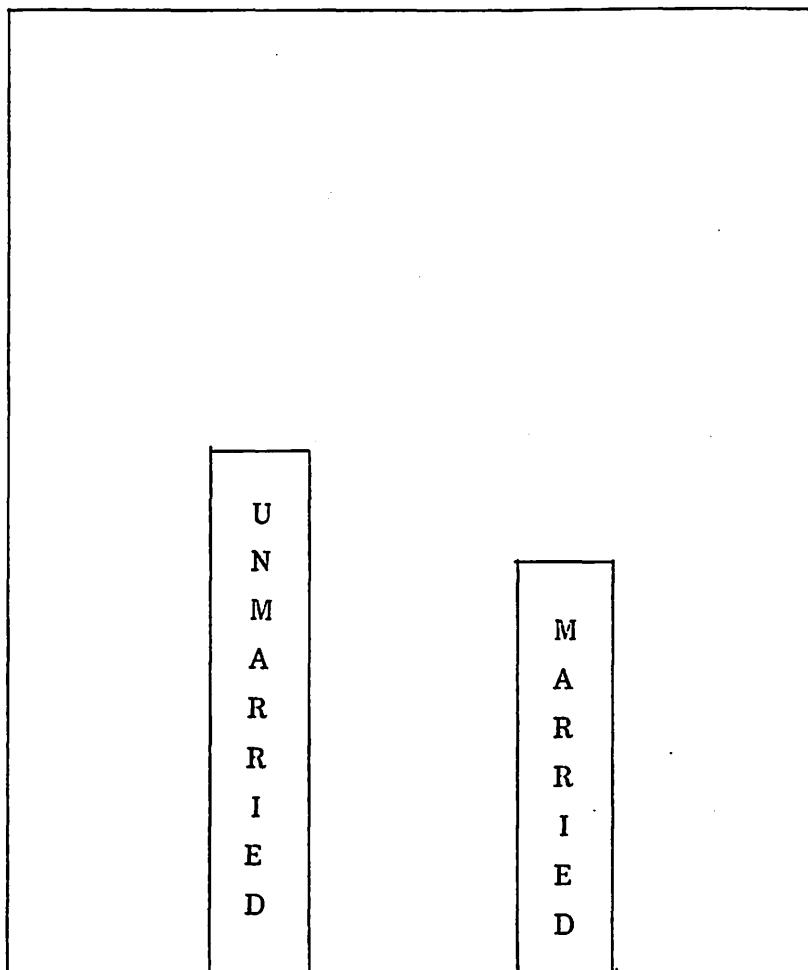
Discrimination on the basis of marital status has not been the subject of public policy studies or media attention until very recently. This is the first government sponsored study to combine the subjects of consumer protection and marital status discrimination.

Consumers deserve protection from unfair business practices, regardless of whether such practices involve fraud, abuse, or discrimination. Currently, most activities of government are directed toward the criminal prosecution of fraud against consumers. Outside of the field of fair housing, little time and energy has been devoted by government agencies to provide civil remedies for discrimination against consumers.

POPULATION CHARACTERISTICS

City of Los Angeles

TABLE 2



MARITAL STATUS OF ADULTS

45% Currently Married

55% Currently Unmarried

Includes: Never Married, Divorced, Separated,
and Widowed Adults

Sources: U.S. Census Bureau; Los Angeles City Task
Force on Family Diversity

This report provides consumer protection advocates with many of the tools necessary to end marital status discrimination: specific complaints from consumers, demographic data, legal research, and practical recommendations for improvement. Hopefully, elected officials and government administrators will work with consumer advocates and private businesses to reduce and eventually eliminate such discrimination.

Marital Status Demographics

It is very ironic that discrimination against unmarried consumers is so pervasive in a city where the majority of adults are not married. Businesses that discriminate on the basis of marital status either have not reviewed local demographics or they have not viewed unmarried individuals and couples as a powerful constituency.

A majority of adults in metropolitan areas of California, such as San Francisco/Oakland (51%) and the City of Los Angeles (55%), are not married.⁴ On a statewide basis, a near majority of adults are not married.⁵ Statewide figures show that the number of unmarried adults (single, divorced, separated, widowed, unmarried couples) have remained relatively constant throughout the past decade (1980 = 45.8% / 1987 = 45.7%).⁶ However, with social scientists predicting even higher divorce statistics for recent marriages, and with many female "baby boomers" outliving their husbands, the numbers of unmarried individuals and couples will probably begin to increase in years to come.

As a class, unmarried adults have often been typecast as carefree youngsters who party every night and who have few responsibilities in life. Such a stereotype is unfair and incorrect. Statistics on household

4. United States Census Bureau (1980 Census); State of California Census Data Center (Current Population Surveys: 1981-1987); Final Report, Los Angeles City Task Force on Family Diversity (1988).

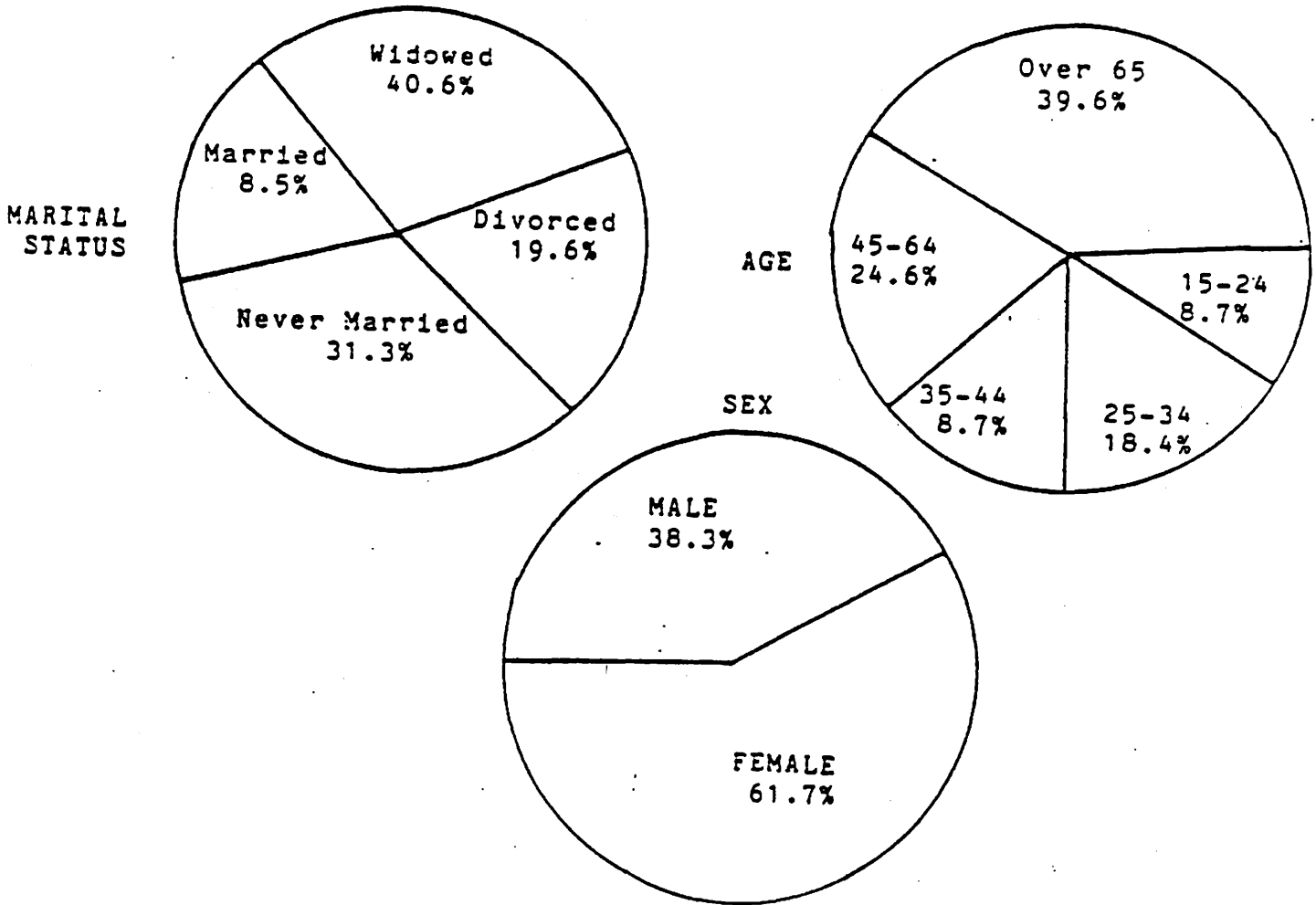
5. Ibid.

6. Ibid.

ONE-PERSON HOUSEHOLDS

City of Los Angeles

TABLE 3



Source: Los Angeles City Task Force on Family Diversity

characteristics for the City of Los Angeles provide insight on the diversity of living arrangements of unmarried adults. A married couple is not present in 55% of local households.⁷ Single parents raising minor children account for 11% of city households. Adult blood relatives (e.g., brothers and sisters, single parents with adult children) comprise another 6% of households. About 7% include unmarried couples. The largest segment of local households (31%) involves single adults living alone.

The number of people living alone has increased dramatically over the years. The nation has seen a 90% jump in one-person households over the past 15 years and an increase of 385% since 1950.⁸ The occupants of these households have very diverse characteristics. More than 60% are women. Similarly, more than 60% are over 45 years-old and are divorced or widowed.⁹ Fewer than 10% are younger than 25 years of age.¹⁰ The diversity of unmarried adults is also apparent from their organizations, activities, and support groups.¹¹

Although many adults are single by choice, many are not. Many single adults are widowed. Others have reluctantly divorced. Economic disincentives and so-called "marriage penalties" discourage many elderly or disabled adults from marrying. Gay men and lesbians, of course, can't marry their partners because the law does not recognize same-sex marriage.

Businesses should recognize the size and the diversity of this population. Those who discriminate on the basis of marital status should reexamine the logic of policies and practices that discriminate against the majority of adult consumers.

7. Final Report, Los Angeles City Task Force on Family Diversity (1988).

8. Bautista, "One-Person Households," Los Angeles City Task Force on Family Diversity (1988), Supplement One to Final Report, p. S-621.

9. Ibid.

10. Ibid.

11. "Singles Scene," Los Angeles Times, January 29, 1990; See "Supplement," p. 141. They include: Parents Without Partners, Support Group for Separated, Divorced and Widowed Men, Father's Rights of America, Single Working-Women's Support Group, Women in Transition, Women Meeting Women, Singles Chapter of the ACLU, Young Executive Singles Network, Jewish Association of Single Professionals, Young Singles with College Degrees, and the Sierra Club 20s and 30s Singles, to name a few.

"Discrimination on the basis of marital status has been against the law in California for more than a decade."

Existing Legal Protections

Discrimination on the basis of marital status has been against the law in California for more than a decade. Public policies prohibiting businesses from engaging in marital status discrimination exist with respect to employment,¹² rental housing,¹³ insurance,¹⁴ credit,¹⁵ public social services,¹⁶ and services by many licensed businesses and professions.¹⁷ Federal laws also prohibit marital status discrimination in credit,¹⁸ and public housing.¹⁹

In addition to these specific legislative mandates, other laws protect consumers from marital status discrimination. For example, although the state Unruh Civil Rights Act does not specifically mention "marital status," it has been interpreted by the courts to prohibit any form of arbitrary discrimination by any business establishment of any kind whatsoever.²⁰ The Fair Employment and Housing Commission is the state agency that oversees enforcement of the Unruh Act. The Commission has ruled that marital status discrimination is prohibited by the Unruh Act.²¹

Regulations adopted by the Fair Employment and Housing Commission

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12. Government Code Section 12940 (1975 Amendment).
 13. Government Code Section 12955 (1985 Amendment).
 14. Insurance Code Section 679.91 and Administrative Code, Title 10, Section 2560.3 (1975 Regulation).
 15. Civil Code Section 1812.30 (1975 Amendment) and Health and Safety Code Section 35811 (1977 Statute).
 16. Welfare and Institutions Code Section 10000 (1975 Amendment).
 17. Business and Professions Code Section 125.6 (1980 Amendment).
 18. Equal Credit Opportunity Act, 15 U.S.C. 1601 et seq.
 19. Atkisson v. Kern County Housing Authority (1976) 59 Cal.App.3d 89, 95-96.
 20. Marina Point, Ltd. v. Wolfson (1982) 30 Cal.3d 721; Curran v. Mt. Diablo Council of Boy Scouts (1983) 147 Cal.App.3d 712.
 21. D.F.E.H. v. Donohue, Case No. FHL86-87, B4-0080 (1989).

"A city attorney or a district attorney can take legal action against any business that engages in unfair or discriminatory business practices against consumers."

define "marital status" as "[a]n individual's state of marriage, non-marriage, divorce or dissolution, separation, widowhood, annulment, or other marital state."²² Courts have ruled that it is not just an individual who is protected from marital status discrimination, but that the law extends protection to unmarried couples as well.²³

There are also general statutes prohibiting "unfair" business practices against consumers.²⁴ An "unfair" business practice occurs "when it offends an established public policy or when the practice is immoral, unethical, oppressive, unscrupulous, or substantially injurious to consumers."²⁵

A city attorney or a district attorney can take legal action against any business that engages in unfair or discriminatory practices against consumers.²⁶ With the passage of Proposition 103, city attorneys and district attorneys have explicit jurisdiction to protect consumers against unfair or discriminatory practices by insurance companies.²⁷

Several state and local government agencies have overlapping jurisdiction in the area of marital status discrimination against consumers. For example, since discrimination by an insurance company may violate the Insurance Code as well as the Unruh Civil Rights Act, corrective action may be taken by the Department of Insurance, the Department of Fair Employment and Housing, and a local city attorney or district attorney.

Considering the number of statutes and cases on the subject for so many years, and the number of agencies with jurisdiction, it is surprising that discrimination against unmarried consumers remains so pervasive today -- especially in urban areas such as Los Angeles where the majority of adult consumers are not married.

22. California Administrative Code, Title 2, Section 7292.1(a).

23. Hess v. Fair Employment and Housing Commission (1982) 138 Cal.App.3d 232, 235; Markman v. Colonial Mortgage Service Co. (D.C. Cir. 1979) 605 F.2d 566, 569.

24. Business and Professions Code Section 17200 et seq.

25. People v. Casa Blanca Convalescent Homes (1984) 159 Cal.App.3d 509, 530.

26. Civil Code Sections 52 and 1812.32; Business and Professions Code Section 17204.

27. Insurance Code Section 1861.03.

**"Despite the existence of [state and local]
fair housing laws, landlords continue to
discriminate against unmarried couples."**

Discriminatory Business Practices

This section of the report summarizes the specific findings of the Consumer Task Force with respect to various industries and businesses. Due to time and budget constraints, the Task Force was not able to conduct thorough and exhaustive surveys of all, or even most, businesses in each of the industries it studied. The fact that various companies are mentioned in this report as having discriminatory policies or engaging in discriminatory practices does not mean that they are the only companies with such policies or practices. The fact that a particular company is not mentioned in this report is not an indicator as to whether such a company has a discriminatory or a nondiscriminatory policy.

Housing

"State law prohibits discrimination against unmarried couples in public housing.^[28] Fair housing statutes also prohibit private landlords from discriminating against cohabiting couples.^[29] Additionally, a local ordinance makes such discrimination against same-sex couples illegal in the City of Los Angeles.^[30] Despite the existence of such fair housing laws, landlords continue to discriminate against unmarried couples."

These were the findings issued by the Family Diversity Task Force two years ago. They remain an accurate assessment of the situation in rental housing today.

The Consumer Task Force obtained information about housing discrimination from a variety of sources. Two members of the Task Force who are employed by local Fair Housing Councils provided statistical data and summaries of actual cases. The state Department of Fair Employment and Housing sent a liaison to each meeting of the Task Force and supplied written materials about administrative remedies available to victims of

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28. Atkisson v. Kern County Housing Authority (1976) 59 Cal.App.3d 89.
 29. Hess v. Fair Employment and Housing Commission (1982) 138 Cal.App.3d 232.
 30. Los Angeles Municipal Code, ch. IV, art. 4, Sec. 49.70 et seq.

"Several fair housing experts agreed that the number of complaints received by Fair Housing Councils is 'only the tip of the iceberg.'"

marital status discrimination.³¹ A law student intern conducted independent research for the Task Force and submitted a written report.³² Testimony was received from a fair housing expert and from tenants.³³

There are four Fair Housing Councils serving various geographical areas of the City of Los Angeles: San Fernando Valley, Hollywood/Mid-Wilshire, Metro Harbor, and Westside. Their umbrella organization is the Fair Housing Congress of Southern California. The City of Los Angeles funds the work of the Councils through grants from the Community Development Block Grant Program which are administered by the Fair Housing Congress. The Councils investigate complaints of housing discrimination and attempt to conciliate. When conciliation fails, the tenant or prospective tenant is referred to the state Department of Fair Employment and Housing which has authority to take legal action against offending landlords.

Over the past three years, the Fair Housing Councils have reported 62 complaints of marital status discrimination and 19 complaints of sexual orientation discrimination in the City of Los Angeles.³⁴ Fortunately, the number of reported cases has been decreasing each year. However, the numbers can be deceiving. Several fair housing experts agreed that the number of complaints received by Fair Housing Councils is "only the tip of the iceberg."³⁵

These are some typical examples of housing discrimination reported to the Consumer Task Force from various agencies:³⁶

31. Wanda Kirby, Department of Fair Employment and Housing, "Supplement," pp. 225-237.

32. Sharon Sandler, "Report on Rental Housing Discrimination," "Supplement," pp. 173-190.

33. Stephanie Knapik, Westside Fair Housing Council, "Supplement," pp. 219-224; Robert Wilder and Verna Terry, victims of housing bias, "Supplement," p. 194.

34. Knapik, "Supplement," p. 221.

35. Knapik, "Supplement," p. 224; Sandler, "Supplement," p. 183.

36. "Supplement," pp. 182-183, 221-222.

"The Fair Housing Councils depend primarily on trained volunteers. Many unmarried adults in the city may be willing to serve as volunteers if they knew about the opportunity."

* A manager told an undercover representative of a Fair Housing Council that the landlord instructed him to rent to married couples only;

* An unmarried couple was told that they could rent the apartment as soon as they got married;

* Two male roommates inquired about renting an apartment. The owner refused to rent to them because he thought they were gay. The manager told the men that the owner wanted to rent to a married couple.

* Three single women sought to share an apartment and were told by the manager that each person would have to have an income equal to three times the amount of rent. Married couples only needed to show one person with such an income.

* Some landlords have demanded to see the marriage license of prospective tenants.

* A landlord refused to allow a tenant to have his fiancee move in with him even though other units in the building had two occupants in them.

In addition to investigating complaints initiated by tenants, the Fair Housing Councils also conduct periodic "audits" by sending undercover agents into the field to independently check the level of discrimination on any given day. The contract with the city calls for these periodic audits. So far, however, the auditing program has been limited to race and child discrimination. **IT IS RECOMMENDED that the Community Development Department of the City of Los Angeles expand the city's contract with the Fair Housing Congress to require periodic audits for discrimination on the basis of marital status and sexual orientation. Audits would give enforcement agencies a clearer picture of the extent of such housing discrimination in Los Angeles. The city should provide additional funding to expand the auditing program to cover these categories of discrimination.**

The Fair Housing Councils depend primarily on trained volunteers. Many unmarried adults in the city may be willing to serve as volunteers if they knew about the opportunity. **IT IS RECOMMENDED that the Fair Housing Councils aggressively recruit volunteers from the ranks of organizations comprised largely of unmarried adults. Sending literature and speakers to these groups would be helpful in this**

"Education of landlords can also be accomplished through voluntary associations of landlords such as the Apartment Association of Greater Los Angeles."

regard.³⁷

The Department of Fair Employment and Housing publishes a variety of brochures dealing with fair housing.³⁸ Some of them are explicit that discrimination against unmarried couples is illegal while others vaguely refer to marital status without further explanation. Some of them mention that sexual orientation discrimination is illegal, others do not. **IT IS RECOMMENDED that every brochure published by the Department of Fair Employment and Housing mention that "sexual orientation" discrimination in housing is illegal and expand on the term "marital status" to explain that this prohibits discrimination against unmarried couples.**

Education of landlords can also be accomplished through voluntary associations of landlords such as the Apartment Association of Greater Los Angeles. The Apartment Association has a Code of Ethics and conducts seminars for its members on topics such as unlawful discrimination and unjust eviction.

The City of Los Angeles should also attempt to educate landlords about state and local fair housing laws. The Rent Stabilization Division of the Community Development Department could help in this regard. **IT IS RECOMMENDED that the Community Development Department revise its "Landlord-Tenant Handbook" to contain a short section on unlawful discrimination to explain that discrimination on the basis of race, religion, color, national origin, sex, disability, marital status, sexual orientation, and number of children is illegal under state and local law.** Once a year, the Rent Stabilization Division sends a notice to the owners of all buildings that are subject to the city's rent stabilization laws. **IT IS RECOMMENDED that the Community Development Department's Rent Stabilization Division include a one-page flier in**

37. The Los Angeles Times periodically publishes a list of such organizations. ("Supplement," p. 141) Also, there are literally dozens of groups in the gay and lesbian community. (Over 200 local groups are listed in the "Community Yellow Pages," 2305 Canyon Drive, Los Angeles, CA 90068 (213) 469-4454).

38. Examples include: "Fair Housing Equals Good Business" / "A Guide for Complainants" / "Discrimination is Against the Law" / "Housing Rights."

"There is a lack of attention to the issue of marital status discrimination by those who write policies and procedures governing the board-and-care industry and benign ignorance among facility administrators on this subject."

its annual mailing to local landlords that would explain applicable fair housing laws and give examples of discriminatory rental practices that are prohibited.

Older Adults. The Task Force also heard testimony regarding discrimination against unmarried adults who are elderly and who live in small board-and-care homes.³⁹ One researcher found no overt discrimination based on marital status within the board-and-care industry in Los Angeles.⁴⁰ However, due to the fact that elderly women often outlive elderly men, there is an abundance of "female" rooms in such facilities with a corresponding shortage of "coed" rooms for couples, married or not. After contacting several agencies within the board-and-care industry, the researcher did find a common problem. Administrators were uniformly unaware as to whether there was any written policy addressing marital status discrimination and were unaware of what such a policy might say if it did exist.⁴¹ When one administrator was questioned about possible discrimination against gay and lesbian elderly couples, her response was "gays and lesbians?, don't you realize that these people are over 65 years of age?"⁴² It would appear that some administrators and staff need to be educated that gays and lesbians don't cease to exist when they retire.

There is a lack of attention to the issue of marital status discrimination by those who write policies and procedures governing the board-and-care industry and benign ignorance among facility administrators on this subject.

Disabled Adults. The Task Force also heard testimony regarding marital status discrimination against disabled adults who live in board-and-care homes.⁴³ In the disability context, such discrimination stems from several sources. One major problem involves paternalistic and often well-

39. Testimony of G. Jay Westbrook, "Supplement," pp. 238-241.

40. Ibid.

41. Ibid.

42. Ibid.

43. Testimony of Joe Rhine, Protection and Advocacy Inc., "Supplement," p. 194.

"[R]egulations of the Department of Social Services permit consensual relationships and consensual room-sharing, with or without a sexual dimension, between disabled adults."

meaning parents who do not want their disabled adult children to have relationships. Another problem stems from the biases of facility operators. A third area of concern is a misunderstanding on the part of facility operators that the Department of Social Services prohibits disabled adults from forming and maintaining intimate relationships with disabled peers. In fact, regulations of the Department of Social Services permit consensual relationships and consensual room-sharing, with or without a sexual dimension, between disabled adults.⁴⁴

IT IS RECOMMENDED that several steps be taken to protect elderly or disabled adults who live in board-and-care facilities from possible discrimination on the basis of marital status and from denial of privacy rights:

* Public agencies, such as the state Department of Social Services, Community Care Licensing Division, should develop regulations on the subject of marital status discrimination and personal privacy, supply administrators with sample copies of policies and procedures on this topic, and provide sample wording to facilities for inclusion in admission agreements.

* The state Departments of Social Services and Health Services, and the state Department of Aging's Ombudsperson, should monitor licensed facilities for compliance with laws and regulations prohibiting invasion of personal privacy and discrimination on the basis of marital status and sexual orientation, and work with the City Attorney's Office in situations where such compliance is lacking.

* Private agencies, such as the American Society on Aging and the Los Angeles City/County Area Agencies on Aging Long Term Task Force should educate those in the board-and-care industry on the subject of sexual privacy and discrimination on the basis of marital status or sexual orientation.

* The Los Angeles City Attorney's Office, in cooperation with the USC School of Gerontology, should develop an intern position at the City Attorney's Office for a graduate level gerontology student with a policy background to assist with marital status discrimination research, monitoring efforts, and remedies.

44. Letter from Department of Social Services, "Supplement," p. 28.

"[T]he courts have held that 'sincerely held religious beliefs do not insulate an individual engaged in for-profit activities, such as renting, from the requirements of [civil rights statutes].'"

The personal impact of housing discrimination on unmarried couples has not been overlooked by agencies that enforce fair housing laws. For example, the Fair Employment and Housing Commission recently issued a ruling in which damages were awarded to compensate an unmarried couple for emotional injuries resulting from marital status discrimination.⁴⁵ The victims in that case testified at a hearing of the Consumer Task Force.⁴⁶ They described how the landlord's personal questions and ultimate rejection of them as tenants, solely on the ground that they were not married, shocked and offended them and caused them distress and anxiety.

Some landlords have asserted their right to discriminate against unmarried couples on the basis of "religious freedom."⁴⁷ According to the Legal Affairs Secretary to the state Fair Employment and Housing Commission, two landlords are appealing to the California Court of Appeal in an attempt to overturn Commission rulings against marital status discrimination.

Although California courts may not have directly addressed the alleged right to discriminate against unmarried couples on the basis of sincerely-held religious beliefs, other courts have. For example, two appellate courts in Minnesota have rejected arguments raised by employers and landlords.⁴⁸ These courts have ruled that a person's right to practice religion may be subject to reasonable government regulations if the government has an overriding compelling interest. These courts concluded that the state's interest in eliminating discrimination on the basis of marital status was an overriding compelling interest. In other words, the courts have held that "sincerely held religious beliefs do not insulate an individual engaged in for-profit activities, such as renting, from the requirements of [civil rights statutes]."

45. D.F.E.H. v. Donahue, Case No. FHL86-87, "Supplement," pp. 45-58.

46. Testimony of Verna Terry and Robert Wilder, "Supplement," p. 194.

47. California Journal, "Supplement," p. 135; Daily Journal, "Supplement," p. 131.

48. State v. Sports and Health Club (1985) 370 N.W.2d 844; Department of Human Rights v. French (1989) Court of Appeals Case No. C2-89-1064.

"As the cost of insurance rises, more consumers have begun to scrutinize the business practices of the insurance industry."

IT IS RECOMMENDED that the Los Angeles City Attorney file a friend-of-the-court brief in defense of recent rulings by the Fair Employment and Housing Commission which protect unmarried couples from marital status discrimination in rental housing.

Insurance

About 13% of the disposable income of a household is spent on insurance, making insurance a major recurring expenditure along with shelter, food, child care and taxes.⁴⁹ As the cost of insurance rises, more consumers have begun to scrutinize the business practices of the insurance industry.

Two years ago, the Family Diversity Report found two major areas of concern to many Los Angeles insurance consumers. One was the high costs of auto insurance and the other was marital status discrimination by companies selling automobile, renters, homeowners, health, and life insurance.⁵⁰

These are some examples of discrimination against unmarried individuals and couples that came to the attention of the Consumer Task Force:⁵¹

* Farmers Insurance Company was sued for refusing to issue a joint "umbrella" liability policy to two gay men who jointly owned their house;

* Great Republic Insurance Company was sued for screening out single males who applied for health insurance;

* An agent for SAFECO Insurance refused to issue either renters insurance or automobile insurance to any person under the age of 29 who was not married;

* Another SAFECO agent refused to issue a joint policy for automobile or renters insurance unless both applicants were

49. Final Report, Los Angeles City Task Force on Family Diversity (1988), p. 40.

50. Ibid.

51. "Supplement," pp. 136, 138, 149, 150, 151.

"[O]ne broker who formerly sold insurance for [a particular company] . . . testified that his agency had received a letter from the company insisting that the broker stop selling insurance to unmarried adults."

related by blood, marriage, or adoption. An unmarried couple would have to purchase two separate policies -- at twice the cost.

* Although Blue Cross and Blue Shield advertise a "family" plan for "couples" with children, if the couple is not married, each partner must purchase a separate policy, thereby increasing the premium considerably.

SAFECO Insurance Company sent a representative to a public hearing conducted by the Consumer Task Force.⁵² She stated that SAFECO underwriting guidelines do not discriminate on the basis of marital status and promised to reaffirm that policy in personal meetings with all SAFECO agents. However, one broker who formerly sold insurance for SAFECO later testified that his agency had received a letter from the company insisting that the broker stop selling insurance to unmarried adults.⁵³ This discrepancy may indicate that SAFECO is an insurance company in the midst of changing its underwriting policies.

The Automobile Club of Southern California also provided testimony.⁵⁴ Prior to 1984, the Auto Club would not issue a joint automobile policy with a multiple car discount to unmarried couples. In response to a complaint, underwriting policies were reviewed, with a resulting change. Now, a joint policy with a multiple car discount is available to any household in which the occupants have a common ownership in the insured vehicles, live at the same address, and garage the vehicles at that address.⁵⁵

As recently as two years ago, the state Department of Insurance adopted a position that it was powerless to take action against insurance companies that engaged in rate discrimination against unmarried couples.⁵⁶

52. Testimony of Cheryl Overstreet, "Supplement," p. 193.

53. Testimony of Tony Melia, "Supplement," p. 194.

54. Testimony of Robert Wright, "Supplement," pp. 214-218.

55. Although the Auto Club has changed in policies with respect to automobile insurance, it continues to discriminate on the basis of marital status with respect to membership dues in the club.

56. Final Report, Task Force on the Changing Family (1988), p. 42.

"Three of the major contenders for the post of Insurance Commissioner have expressed the firm opinion that rate discrimination on the basis of marital status is illegal in the wake of Prop 103."

However, with the passage of Proposition 103, that position seems to be changing.

Three of the major contenders for the post of Insurance Commissioner have expressed the firm opinion that rate discrimination on the basis of marital status is illegal in the wake of Prop 103.⁵⁷ At least with respect to automobile insurance, the current Insurance Commissioner agrees. On December 5, 1989, the Commissioner issued emergency regulations which, among other things, prohibit automobile insurers from using "marital status" as an underwriting criterion.⁵⁸

State Farm immediately filed suit to block the new regulations in which it specifically challenged the Insurance Commissioner's ruling with respect to marital status.⁵⁹ Soon thereafter, a similar suit was filed by Allstate.⁶⁰ Pursuant to stipulation, the regulations won't go into effect until at least next August, pending the results of Prop 103 administrative hearings now under way in San Bruno.⁶¹

Rate discrimination against unmarried individuals and couples is unfair and violates public policies against marital status discrimination. The Insurance Commissioner should be commended for her initial actions to protect consumers from such class stereotyping by insurance companies.

IT IS RECOMMENDED that the following additional actions be taken to protect consumers from rate discrimination on the basis of marital status:

*** Insurance companies should voluntarily discontinue using marital status as an underwriting criterion.**

*** Insurance companies that take such voluntary action should immediately inform all brokers and agents**

57. Testimony of Bill Press, Conway Collis, and Walter Zelman, "Supplement," pp. 193, 201-210.

58. Press Release and Regulations, "Supplement," pp. 82-105, especially p. 94.

59. State Farm v. Roxani Gillespie, San Francisco Superior Court, Case No. 914381.

60. Allstate v. Roxani Gillespie, Los Angeles Superior Court, Case. No. C748209.

61. Los Angeles Times, "Supplement," p. 81.

**"[S]ome life insurance companies
discourage or prohibit applicants from naming an
unmarried partner as a beneficiary."**

that rate discrimination against unmarried individuals and couples is contrary to company policy.

*** The Insurance Commissioner should vigorously defend in court the new automobile regulation prohibiting marital status rate discrimination.**

*** The Los Angeles City Attorney should file a friend-of-the-court brief in support of the Insurance Commissioner's regulation on marital status.**

*** The Insurance Commissioner should declare marital status discrimination, including rate discrimination, as an "unfair practice" in all other lines of insurance, including health, life, renters, and homeowners coverage.**

In addition to rate discrimination, other forms of marital status discrimination occur within the insurance industry. For example, some life insurance companies discourage or prohibit applicants from naming an unmarried partner as a beneficiary.⁶²

IT IS RECOMMENDED that the Insurance Commissioner issue a policy directive to life insurance companies in California instructing them that adults who purchase life insurance policies have the unqualified right to designate a beneficiary of their choice, including an unmarried partner, and that any business practice that infringes on this right will not be tolerated.

62. Final Report, Los Angeles City Task Force on Family Diversity (1988), pp. 42, 82.

**"Times have changed -- somewhat. Today,
credit discrimination against unmarried couples
exists but it is more subtle."**

Credit

In the past, credit institutions often made the same assumptions about the lifestyle of adults as did other societal institutions. For example, marriage was viewed not only as the norm but also as the idealized goal. Eyebrows were raised at banks, savings and loans, and businesses offering credit cards when two adults who were not related by blood or marriage wanted joint credit. Today, most businesses wouldn't think twice about joint credit for unmarried couples. This change of position probably stems from the increasing visibility and numbers of cohabiting adults and the corresponding social acceptance of such relationships. Now, it is very common for businesses offering credit cards, such as Diners Club, American Express, or gas companies, to routinely offer a second card to any other adult of the applicant's choice.

Times have changed -- somewhat. Today, credit discrimination against unmarried couples exists but it is more subtle. Sometimes the bias stems from unintentional assumptions or inappropriate terminology. Other times it results from deliberate discrimination. On other occasions, discriminatory effects are due to outdated rules and regulations.

Wells Fargo Bank provides an example of the first two types of bias. Recently, Wells Fargo send out a letter offering credit card holders an additional benefit called "Premier Dining Club" at no cost for one year. Wells Fargo customers were given a free membership in the dining club, which offers substantial discounts at participating restaurants. The letter offered to send an additional card, without cost, to the credit card holder's "spouse." When the possibility of marital status discrimination was brought to the attention of Wells Fargo, a letter of apology was forthcoming. Wells Fargo replied:⁶³

"The offer of the additional card is not limited to married couples. We misused the word 'spouse' in our letter; to have been more accurate the offer should have been made to 'the joint account customer'. . . . [W]e are grateful for your bringing our misworded letter to our attention so that we may correct it."

63. Letter from Wells Fargo, "Supplement," p. 23.

"The disgruntled consumer raised the possibility with a [bank] representative that these policies constituted marital status discrimination. The response was that the consumer could write to their legal department if he so desired."

While it is heartening to see a business establishment admit to an error, there are other areas of concern. A consumer complained to the Consumer Task Force about marital status discrimination by Wells Fargo in connection with services it offers for "Gold Card" holders.⁶⁴ The consumer received brochures from Wells Fargo replete with instances of discrimination against unmarried couples. For example:⁶⁵

* **Hotline Emergency Cash and Airline Ticket.** A valuable service is provided to a Gold Card holder who is more than 100 miles from home if his or her credit card is stolen. Hotline will arrange for one pre-paid airline ticket for each family member stranded, to be billed to the card holder's account. The term "family" member includes a spouse but not an unmarried partner.

* **MasterAssist Benefits.** If an immediate "relative" dies while the card holder is abroad, MasterAssist will help make necessary arrangements and pay for the trip back to the United States once proper verification of death is provided. The term "relative" includes a spouse but not an unmarried partner who lives with the card holder.

* **MasterRental Benefits.** Personal effects are covered from loss, theft, or damage, when a car is rented. Coverage extends to any immediate "family" members. The term "Family" includes a spouse (or even a parent-in-law) traveling with the card holder, but does not include an unmarried partner.

The disgruntled consumer raised the possibility with a Wells Fargo representative that these policies constituted marital status discrimination. The response was that the consumer could write to their legal department if he so desired.⁶⁶

To be fair to Wells Fargo, it is probable that there are many other lending institutions that participate in the "Hotline," "Master Assist," and "MasterRental" programs. Wells Fargo is mentioned here because a specific complaint about that institution was brought to the attention of the Consumer Task Force.

64. Letter and Attachments from Paul Hicks, "Supplement," pp. 75-80.

65. Id, at pp. 77-80.

66. Id., at p. 75.

"The credit union would not issue a joint automobile loan to a member and her fiance because the fiance was not also a member. The fiance could not become a member because membership is limited to city employees and their family members."

Under California law "No unmarried person shall be offered credit on terms less favorable than those offered to a married person managing and controlling the same amount of earnings and other property."⁶⁷ It would appear that extending benefits to married partners of card holders and not to the unmarried partners of card holders may violate the state's prohibition against marital status discrimination by credit card companies and lending institutions. Since there is no case law on point, the illegality of such business practices is somewhat ambiguous.

Violations of California's credit antidiscrimination statute may be prosecuted by city attorneys and district attorneys.⁶⁸ Violators are subject to civil penalties of \$2,500 per day for each day the violation occurs. If an action is brought against the violator by a city attorney, one-half of the penalty would go into the city treasury. A violator would also have to pay for attorney fees if the action is successful.⁶⁹

IT IS RECOMMENDED that the Los Angeles City Attorney immediately seek an opinion from the California Attorney General as to whether a credit institution violates Civil Code Section 1812.30 when it offers benefits to credit card holders and their spouses but not to credit card holders and their unmarried partners. After receiving the opinion, the City Attorney should take appropriate action to correct the problem.

Another consumer complained to the Consumer Task Force about discrimination by credit unions against unmarried couples.⁷⁰ The complaint was directed at the Los Angeles City Employees Federal Credit Union. The credit union would not issue a joint automobile loan to a member and her fiance because the fiance was not also a member. The fiance could not become a member because membership is limited to city employees and their family members. The credit union's by-laws limit the definition of "family"

67. Civil Code Section 1812.30(d).

68. Civil Code Section 1812.32.

69. Civil Code Section 1812.34.

70. Testimony of Kyle Millager, "Supplement," p. 213.

**"An expert in credit union law suggested a
remedy to this problem Credit unions are
at liberty to define 'family' in their by-laws in
any reasonable manner."**

to persons related by blood, marriage, or adoption. The Los Angeles Teachers Federal Credit Union and probably most other credit unions exclude unmarried partners from membership eligibility.

An expert in credit union law suggested a remedy to this problem.⁷¹ He informed the Consumer Task Force that credit unions are at liberty to define "family" in their by-laws in any reasonable manner. One or more members merely need to petition the board of directors at any given institution to amend the by-laws. Directors might then include "household members" in the definition of "family." If directors are resistant to this change and a majority of members disagree, new directors who favor this change may be elected.

IT IS RECOMMENDED that members, possibly through their unions, petition the boards of directors of the City Employees Federal Credit Union and the Los Angeles Teachers Federal Credit Union to expand the definition of "family" in their by-laws to include "household members" of employees.

71. Testimony of Seymour Pizer, Esq., "Supplement," p. 195.

"The Consumer Task Force surveyed a number of airlines and found that some continue to discriminate against unmarried individuals and couples in their frequent flyer programs."

Airlines

One airline customer told the Consumer Task Force a harrowing story involving Trans World Airlines and its frequent flyer program.⁷² The customer and her fiance have lived together on a long term basis. Early last year, her fiance received a telephone call informing him that his father needed major surgery immediately. Her fiance realized that he had sufficient credit on his T.W.A. frequent flyer program to allow him to obtain two tickets so that the couple could fly back east to be at his father's bedside. They called the airline and discovered that only the "spouse" of a frequent flyer could use the second ticket. Since the couple did not have time to debate the unfairness of this rule with the airline, they decided to go to the airport and simply tell the ticket agent that they were married. The ticket agent, however, asked for proof of a marriage certificate. An argument ensued with T.W.A. management resulting in her fiance being allowed to board the plane as she stayed behind in tears.

Sometime after this unfortunate event, T.W.A. changed its policy under pressure from gay and lesbian rights organizations who also complained about its effect on same-sex couples.⁷³ Now, virtually any frequent flyer can travel with any companion of their choosing. A spokesperson for the airline admitted that "our rules had probably been unduly restrictive."⁷⁴

The Consumer Task Force surveyed a number of airlines and found that some continue to discriminate against unmarried individuals and couples in their frequent flyer programs.⁷⁵ For example, Continental limits the use of frequent flyer mileage to a "spouse or child" on all "Mileage Saver Award" flights and Delta restricts use to "immediate family" members.

Restricting the use of frequent flyer awards to spouses, children, or immediate family members, seems unduly harsh and unnecessary. Since

72. Testimony of Valeria Morea, "Supplement," p. 193.

73. New York Times, "Supplement," p. 132.

74. Ibid.

75. Report of Michael Cautillo, "Supplement," pp. 153-154.

"Since frequent flyers earn the mileage credits, they should be free to have any companion fly with them."

frequent flyers earn the mileage credits, they should be free to have any companion fly with them. If the concern is to prevent sale of the credits to strangers, this can be handled by allowing transfers to any relative or to any household member of the frequent flyer. Such a restriction would not be based on the marital status of the consumers.

Pan American Airlines poses another example of marital status discrimination. Pan Am offers consumers membership in their "Clipper Club" which provides many services in private Club rooms at airports across the nation. Unmarried couples must pay up to several hundred dollars more than married couples for membership in the Club. If the last names of the couple are different, Pam Am requires them to supply a copy of their marriage certificate.⁷⁶

IT IS RECOMMENDED that the following actions be taken to investigate and remedy discrimination against unmarried individuals and couples by airlines serving the Los Angeles area:

*** Airlines should voluntarily stop limiting discounts or other perks to airline customers and their spouses. Demographics and living arrangements have changed sufficiently to require fair treatment of unmarried couples, including millions of same-sex couples who do not have the option of qualifying as "spouses."**

*** The Airport Commission of the City of Los Angeles should request each airline using LAX Airport to advise the Commission if they have any ongoing or periodic promotions, discounts, or frequent flyer regulations that are limited to "spouses" or in any way dependent on the marital status of the consumer and his or her companion.**

*** The Los Angeles City Attorney should examine the responses of the airlines to the Airport Commission's inquiry. Appropriate action should be taken to correct any policy that appears to be marital status discrimination, including filing a formal complaint with the airline in question, the Federal Trade Commission, or other government agencies.**

76. Membership Brochure, "Supplement," pp. 63-64.

" Many membership organizations discriminate on the basis of marital status. The discrimination usually manifests itself in the form of higher dues or fees for an unmarried couple than for a married couple."
