

Join the Coalition to Protect Community Services

A statewide alliance led by the California Joint Powers Insurance Authority (California JPIA)

\$2 BILLION+ ANNUALLY BY 2027

Taxpayer dollars used to pay claims against California public agencies are projected to exceed **\$2 billion every year by 2027** — a figure that excludes large self-insured jurisdictions.

THE CHALLENGE FACING LOCAL GOVERNMENT

California's local governments are absorbing a sharp and unsustainable rise in liability costs — driven not by member negligence, but by runaway growth in claim awards and disproportionate allocation of fault.

- A California Association of Joint Powers Authorities analysis of **1,979 local government agencies** confirms the scale of the strain.
- Taxpayer dollars used to pay claims against California public agencies are projected to **exceed \$2 billion every year by 2027** — a figure that excludes large self-insured jurisdictions and shows the scale of the problem.
- Insurance premiums paid by local agencies have grown **370%**, climbing from \$115 million in 2016 to \$541 million in 2025.
- Large liability claims exceeding \$1 million **increased 67%** between 2015 and 2022.

Every dollar consumed by disproportionate liability costs is a dollar unavailable for police and fire protection, road maintenance, parks, libraries, youth programs, senior services, and public health.

THREE SPECIFIC PROBLEMS DEMAND A SOLUTION

- **Historic roads without documentation.** Many local agencies acquired roads from the state or counties decades ago — design records were never transferred or have been lost to time. Cities lose design immunity cases not because of bad design, but because they cannot produce paperwork from the 1960s that often never existed.
- **“Deep-pocket” targeting under joint and several liability.** A city found just 1% at fault can be forced to pay 100% of economic damages when co-defendants (drunk drivers, uninsured motorists, careless contractors) have no assets. Local agencies are routinely named not because they caused the harm, but because they can pay.
- **Disproportionate fault when an intentional wrongdoer caused the harm.** When a violent criminal or other intentional wrongdoer is judgment-proof, plaintiffs strategically omit them from the lawsuit and name only the local agency — forcing taxpayers to subsidize damages caused by criminal conduct.

THE SOLUTION — THREE SURGICAL REFORMS TO PROTECT CORE GOVERNMENT OPERATIONS

Clarify Design Immunity for Historic Infrastructure

Creates a rebuttable presumption that roads accepted before 1997 had approved designs, ending the unfair burden of producing 50+ year-old records that often were never transferred. Applies only to the original design — not to subsequent modifications. Does not create new immunity.

Establish Proportionate Liability for Local Governments

Local agencies pay only their actual share of fault. Eliminates joint and several liability for local public entities so that plaintiffs recover from each responsible party in proportion to that party’s fault. Does not apply to federal civil rights claims or AB 218 claims.

Prevent Disproportionate Fault Shifting from Intentional Wrongdoers

Prohibits assigning a local agency a share of fault that equals or exceeds the share assigned to an intentional wrongdoer (such as an assailant or other criminal actor) — even when the intentional wrongdoer is not named in the lawsuit. Preserves full accountability for an agency’s own independent negligence.

THE REAL-WORLD IMPACT ON LOCAL BUDGETS

- **Local agencies with \$1 million + in annual claims** show statistically significant negative impacts in their communities, including increased poverty rates, unemployment, housing costs for homeowners, and SNAP benefit usage. Large claims can have impacts beyond insurance and litigation costs, influencing budget flexibility, service delivery, and longer-term community indicators.
- **Los Angeles County:** After reaching \$4 billion in settlements, Los Angeles County proposed \$1.3 billion in budget cuts and zero raises — triggering the first countywide strike in SEIU Local 721 history. The County explicitly cited settlement costs as the reason it could not offer cost-of-living increases.
- **City of Los Angeles:** With nearly \$300 million in settlements in 2024 — a 3x increase in two years — the City of Los Angeles now faces a \$1 billion shortfall, 1,647 proposed layoffs, constrained public-safety hiring, and had to borrow \$80 million at interest to cover payouts.

WHAT THIS LEGISLATION DOES NOT DO

Local agencies remain fully accountable for their own independent wrongdoing. The proposed reforms:

- Do **not** cap damages.
- Do **not** eliminate liability for government negligence.
- Do **not** prevent injured parties from recovering the agency's proportionate share.
- Do **not** apply to federal civil rights claims.
- Do **not** affect AB 218 claims.
- Do **not** create immunity for new road construction or deficient maintenance.

JOIN THE COALITION TO PROTECT COMMUNITY SERVICES

We invite organizations committed to protecting local government services and taxpayer resources to join us in supporting the **Community Services Protection Act of 2026**.

To sign on, please return your letter of support to Tim@BryantGA.com