Establish Proportionate Liability for Local Governments

Under California's joint and several liability rule, a city found just **1% at fault can be forced to pay 100% of a plaintiff's economic damages**—when the other responsible co-defendants can't pay. Every dollar consumed by disproportionate liability judgments and inflated settlements is a dollar unavailable for community services that our residents rely on: police and fire protection, roads and infrastructure maintenance, parks, libraries, senior services and youth sports programs.

Establishing proportionate liability means that local governments named in lawsuits would be required to pay only their actual share of fault, as determined by the court. Not only is this more fair, but it would help to solve a rapidly escalating problem—a fiscal crisis of runaway liability costs for cities and other local government agencies that have limited taxpayer funding to provide much needed public services.

July 28, 2026

To Members of the Legislature:

On behalf of the Coalition to Protect Community Services, we write to express our strong support for meaningful tort reform in civil actions against public entities, consistent with the priorities of other local government organizations statewide.

Specifically, we support:

- Proportionate (several) liability for economic damages in civil actions against public entities, so that taxpayers pay only for the share of harm attributable to the public agency.
- Caps on damages in civil actions against public entities, ensuring that injured parties are fairly compensated, while also preserving the capacity to deliver essential public services.

Local governments across California are facing a growing liability crisis. In many cases, it is not a result of agencies improperly delivering services or mismanaging risk—but because the current legal framework systematically exposes public entities to liability far beyond their actual share of responsibility.

For cities and special districts, rising settlements and liability costs pose an existential threat to the services we provide. **Multi-million dollar claims against local agencies—arising from public roadways, sidewalks, public property, and routine government services—have increased sharply, and the rising costs are unsustainable**. Insurance premiums paid by local agencies have grown 370%, climbing from $115 million in 2016 to $541 million in 2025. And since 2019, public entity liability costs have more than tripled, now exceeding $7 billion in known exposure.

When a local government agency faces a liability judgment, the cost is borne collectively by liability risk pools—meaning it is ultimately funded by the taxpayers of every member community across California—or directly by the local agency if it is not a member of a risk pool. Dollars spent defending and paying out lawsuits are dollars diverted from public safety, road maintenance, parks, and the core local services these agencies exist to provide.

We stand ready to work with the Legislature, the Administration, and all involved stakeholders to craft a practical and meaningful solution to this growing problem.

Can we count on your support to help safeguard essential public services?

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COALITION MEMBERS — as of July 28, 2026

1. California Contract Cities Association
2. California Joint Powers Insurance Authority
3. City of Alhambra
4. City of Arcadia
5. City of Artesia
6. City of Atascadero
7. City of Azusa
8. City of Bakersfield
9. City of Barstow
10. City of Bellflower
11. City of Blythe
12. City of Camarillo
13. City of Carson
14. City of Cerritos
15. City of Commerce
16. City of Corona
17. City of Diamond Bar
18. City of Duarte
19. City of Fontana
20. City of Fountain Valley
21. City of Goleta
22. City of Hawaiian Gardens
23. City of Indian Wells
24. City of La Mirada
25. City of La Palma
26. City of La Puente
27. City of La Quinta
28. City of La Verne
29. City of Lake Forest
30. City of Lakewood
31. City of Lomita
32. City of Monrovia
33. City of National City
34. City of Needles
35. City of Norwalk
36. City of Palos Verdes Estates
37. City of Paramount
38. City of Pismo Beach
39. City of Rolling Hills
40. City of San Clemente
41. City of San Luis Obispo
42. City of San Marcos
43. City of Santa Paula
44. City of Signal Hill
45. City of Solvang
46. City of Temple City
47. City of Torrance
48. City of Victorville
49. City of West Covina
50. City of Wildomar
51. County of Fresno
52. Eastern Sierra Transit Authority
53. Foothill Transit
54. Public Agency Risk Management Association
55. Rossmoor Community Services District
56. Town of Apple Valley