



August 28, 2026

The Honorable John Laird
California State Senate
1021 O Street, Suite 8720
Sacramento, CA 95814

**RE: SB 577 (Laird) – Public Entity Liability
SUPPORT**

Dear Senator Laird,

Public Risk Innovation, Solutions, and Management (PRISM) is a California Joint Powers Authority representing approximately 1,700 public entity members across the state. Our membership includes 54 counties, 77% of California cities, as well as school districts, special districts, housing authorities, fire districts, hospitals, and other Joint Powers Authorities. PRISM is a member-directed risk-sharing pool committed to providing coverage and risk management services that promote stability, efficiency, and best practices.

We write to express our **SUPPORT** for **SB 577**, which takes modest but important first steps toward addressing concerns with the public entity liability environment in California. First, we appreciate the reform of joint and several liability for public entities. While we believe the proposed 15% threshold should be considerably higher, this provision represents an important acknowledgment that public entities bearing only a small share of responsibility should not be required to shoulder a disproportionate share of the economic damages in a liability claim.

The bill also addresses concerns raised by public entities regarding sexual abuse and assault claims brought by individuals over the age of 40, which often relate to events alleged to have occurred decades earlier and can be exceptionally difficult to defend due to the unavailability of records, witnesses, and other evidence. Requiring proof by clear and convincing evidence for these claims is a positive step in helping to create a fairer judicial process for these claims. We also appreciate the prevention measures in Section 12 but believe the bill would be stronger if it directed the state to develop a model code of conduct that establishes a clear and consistent baseline for public entities. A state model would promote stronger prevention practices while providing greater certainty regarding the adequacy of those practices. We are hopeful that the Legislature will remain open to additional clarifying amendments as these provisions are implemented.

Recent estimates indicate that public entity liability costs have grown significantly in recent years, with California public agencies now facing current exposure of \$7 billion according to aggregated risk-pool data collected by the California Association of Joint Powers Authorities. However, it is not just the total exposure that is concerning. California public agencies are projected to pay over \$2 billion annually in lawsuit settlements and judgments - a cost that has

more than quadrupled over the last decade. These costs are paid by the taxpayer-funded member contributions of cities, counties, schools, and other public agencies from the same general fund dollars that pay for police officers, firefighters, teachers, road crews, and other community services for vulnerable populations. We believe California can protect injured parties while making changes to the liability framework governing public agencies, and **SB 577** is an important first step in that process.

SB 577 is an important first step toward much-needed public entity tort reform, but the broader liability pressures facing California's public entities remain severe and require additional attention. We urge the Legislature to enact SB 577 this year and continue working toward more comprehensive reforms to the broader public entity liability environment next year.

For these reasons, PRISM is pleased to **SUPPORT SB 577**.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Dean", written in a cursive style.

Gina Dean
Chief Executive Officer

cc. Office of Senate President Pro Tem Monique Limon
Office of Assembly Speaker Robert Rivas
Office of Governor Gavin Newsom