

STATE OF CALIFORNIA

CALIFORNIA LAW REVISION COMMISSION

RECOMMENDATION

relating to

Sovereign Immunity

**Number 2—Claims, Actions and Judgments Against
Public Entities and Public Employees**

January 1963

CALIFORNIA LAW REVISION COMMISSION
School of Law
Stanford University
Stanford, California

NOTE

This pamphlet begins on page 1001. The Commission's annual reports and its recommendations and studies are published in separate pamphlets which are later bound in permanent volumes. The page numbers in each pamphlet are the same as in the volume in which the pamphlet is bound. The purpose of this numbering system is to facilitate consecutive pagination of the bound volumes.

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CALIFORNIA LAW REVISION COMMISSION

January 2, 1963

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To HIS EXCELLENCY, EDMUND G. BROWN
Governor of California
and to the Legislature of California

The California Law Revision Commission was authorized by Resolution Chapter 202 of the Statutes of 1957 to make a study to determine whether the doctrine of sovereign, or governmental immunity in California should be abolished or revised.

The Commission herewith submits its recommendation on one portion of this subject—claims, actions and judgments against public entities and public employees. This is one of a series of reports prepared for the 1963 legislative session containing the recommendations of the Commission relating to various aspects of the subject of sovereign immunity. The Commission also has published a research study relating to sovereign immunity prepared by its research consultant, Professor Arvo Van Alstyne of the School of Law, University of California at Los Angeles.

Respectfully submitted,

HERMAN F. SELVIN, *Chairman*



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RECOMMENDATION OF THE CALIFORNIA LAW REVISION COMMISSION

relating to

SOVEREIGN IMMUNITY

Number 2—Claims, Actions and Judgments Against Public Entities and Public Employees

BACKGROUND

California statutes contain provisions that bar suit against public entities and public officers and employees unless a claim for damages is presented as prescribed by statute. The three general claims presentation procedures provided by California law (all of which are found in the Government Code) are: Sections 600 to 655 (claims against the State); Sections 700 to 730 (claims against local public entities); and Sections 800 to 803 (claims against public officers and employees). The provisions relating to claims against local public entities were enacted in 1959 upon recommendation of the California Law Revision Commission.¹ This recommendation of the Commission resulted in the establishment of a uniform procedure governing presentation of claims against local public entities and in the repeal of at least 174 statutes providing separate claims procedures for various local public entities.

The Commission has concluded that the appropriate role for claims presentation procedures should be studied in connection with its study of sovereign immunity. Despite widespread publicity and efforts directed toward dissemination of information about claims presentation requirements, both before and after the adoption by the 1959 Legislature of the local public entities claims statute, noncompliance with its requirements continues to provide a technical defense against determination of tort liability on the merits. To the extent that such technical defenses are not thoroughly justified by the objectives of the claims procedure, their continued existence in the future will tend to frustrate the purposes of whatever rules are ultimately adopted providing for governmental tort liability. On the other hand, to the extent that the existing claims statutes do not effectively implement the accepted objectives of the claims procedure, they may expose public entities to the dangers of unwarranted tort liability.

¹ See *Recommendation and Study Relating to the Presentation of Claims Against Public Entities*, 2 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES, Recommendation and Study at A-1 (1959). In its 1959 report to the Legislature, the Commission also recommended legislation (subsequently enacted) that recodified without significant substantive change the claims presentation procedures previously applicable to claims against the State and to claims against public officers and employees. The Commission did not at that time make a study of these provisions; its recommendation was designed solely to bring all claims provisions together in the Government Code.

In 1961, the Commission submitted a recommendation to the Legislature that all provisions requiring the presentation of claims as a prerequisite to suit against a public officer or employee be repealed. See *Recommendation and Study Relating to the Presentation of Claims Against Public Officers and Employees*, 3 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES, Recommendation and Study at H-1 (1961). The bill drafted to effectuate this recommendation was not enacted by the Legislature.

RECOMMENDATION

Claims Against Public Entities

Unified statutory treatment. Where two different claims presentation procedures exist, claimants—and possibly attorneys—may become confused as to which of the two claims provisions applies to a particular case. The Commission, therefore, recommends that the procedures governing the presentation of a claim to the State and to a local public entity be made the same to the extent that this can be achieved.

Realization of basic claims statute objectives. In its 1959 recommendation, the Commission stated:

Claims statutes have two principal purposes. First, they give the governmental entity an opportunity to settle just claims before suit is brought. Second, they permit the entity to make an early investigation of the facts on which a claim is based, thus enabling it to defend itself against unjust claims and to correct the conditions or practices which gave rise to the claim.²

No existing claims statute adequately realizes both of these objectives.

Prompt notice. The State claims presentation procedure, unlike the local public entities claims statute, does not provide the State with an opportunity to make a prompt investigation of the facts on which a claim is based, for a claim against the State may be presented in most cases within two years after the claim arose or accrued.³ Since there would seem to be as much need for prompt investigation and opportunity to repair or correct the condition which gave rise to the claim in the case of the State as in the case of local public entities, the Commission recommends that the present filing times under the local public entities claims statute be made applicable to the State.

Opportunity to consider and settle claims. The State claims presentation procedure provides the State with an opportunity to consider a claim before suit may be brought against the State on the claim. The local public entities claims presentation statute, on the other hand, permits a person to file his complaint the same day he presents his claim to the public entity.

Commencement of an action on a claim before the public entity has had an opportunity to consider the claim defeats the basic policy of discouraging litigation, because it does not provide an opportunity for

² *Recommendation and Study Relating to the Presentation of Claims Against Public Entities*, 2 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES, Recommendation and Study at A-1, A-7 (1959).

³ Claims against local public entities for death or physical injury to persons, personal property or growing crops must now be presented within 100 days; but similar claims against the State are timely under the present law if presented within two years, except for certain claims arising out of the operation of motor vehicles by State personnel which must be presented within one year. All other claims against local public entities must be presented within one year; but if against the State, they may be presented within two years (except, again, for motor vehicle torts, where the limit is one year).

negotiation and settlement *prior* to the filing of suit. Moreover, institution of a lawsuit not only obligates the claimant for attorney's fees and costs (which will probably increase his minimum settlement figure), but also frequently imposes a burden of needless annoyance and inconvenience on the public employees involved and on counsel for the local public entity in preparing and filing an answer within the relatively short time allowed. Much expense and inconvenience can be avoided with no great prejudice to the claimant when rejection of the claim is required before institution of an action against the public entity. A provision to this effect—which would continue in effect this requirement of the State claims presentation statute and change the local public entities claims statute to impose this requirement—is thus recommended.

Relief for persons who could not reasonably have been expected to present a claim. Under the local public entities claims presentation statute, the statutory time limits (100 days for some claims; one year for all others) are applicable without regard for extenuating circumstances and without regard to whether the delay has frustrated the underlying purposes of the requirement, except in the relatively rare instances where the presentation of such claims has been delayed because of the minority, incapacity or death of the claimant. In these three exceptional cases, a late claim may be presented after judicial authorization upon a finding that the local public entity will not be unduly prejudiced thereby if a petition for permission to present a late claim is filed within a reasonable time, not to exceed one year, from the time otherwise prescribed for filing the claim.

Since permission to present a late claim is required to be predicated on a finding of lack of prejudice to the entity, which finding ordinarily presupposes substantial evidence that the entity in fact had received adequate and prompt notice of the injury which forms the basis for the claim or that more prompt notice would not have improved its ability to make its defenses against the claim, no good reason is apparent why the same rule should not be made applicable to any case where the requirements of the claims statute have not been met and extenuating circumstances exist. Since, by hypothesis, the entity will *not* be unduly prejudiced by late presentation where permitted, the continuation of the inflexible time limits in such cases will serve only to provide, as the Commission's research consultant's report indicates, a trap for the unwary and ignorant claimant. It is, therefore, recommended that the claimant be permitted to file his claim within one year after the cause of action on which the claim is based accrued if the claimant failed to file his claim through mistake, surprise, inadvertence or excusable neglect, unless the public entity establishes that it will be unduly prejudiced by the late filing of the claim. The showing required of the claimant under this recommendation is the same as that required under Code of Civil Procedure Section 473 for relieving a party from a default judgment.

In cases where the claimant failed to file his claim within the 100-day period because he was a minor, under a disability or died within the 100-day period, the statute should permit the claim to be presented

within one year after the cause of action accrued even though the public entity may be prejudiced by the late filing of the claim. Although as a general principle the public entity should be entitled to prompt notice in order to have an opportunity to investigate the claim and correct or remedy the condition that gave rise to it, the Commission has concluded that, in these rare cases where it ordinarily would not be reasonable to expect the claimant to file a claim, the interest in requiring prompt notice should not be permitted to deprive the claimant or his personal representative of the cause of action, even though the entity might be prejudiced by the late filing.

The existing procedure under the local public entities claims statute requires a court proceeding to obtain leave to present a claim after the time prescribed. This procedure could be avoided in many cases by requiring the claimant or his representative to make application in the first instance to the public entity to present the late claim. The Commission is hopeful that the public entity will grant this application in the great majority of cases where the claimant meets the statutory requirements for presenting a late claim. Only if the public entity denies the application should a court proceeding be required.

The effect of the suggested changes can be summarized as follows: In any case where a claim is required to be presented within 100 days, the claimant will be entitled to apply to present the claim within one year from the date the cause of action accrued if he shows that he failed to present the claim through mistake, surprise, inadvertence or excusable neglect, unless the public entity establishes that it would be unduly prejudiced by the late filing. No provision is made for extending the time for presenting claims that are required to be filed within one year from the date the cause of action accrued. In a case where the claimant dies, is a minor or is under a disability, the late claim may be presented within one year after the cause of action accrued even though the public entity may be prejudiced thereby. Thus, the maximum period in any case for filing a claim against a public entity will be one year. This should be contrasted with the present law. Claims against the State must be filed within two years (except for vehicle tort claims, which must be filed within one year). But, in case of disability, the time for filing a claim against the State is extended until two years after the disability ceases. In the case of local public entities, in those cases where a late claim is now permitted, the time limit is extended by existing law for a reasonable time not exceeding one year beyond the time when the claim should have been filed, thus providing in some cases a maximum period of two years within which to present the claim.

Formal requisites of claim. The provision of the local public entities claims statute that specifies the contents of a claim should be made applicable to claims against the State in order that a claimant may determine from an examination of the statute the information he needs to set out in his claim.

The State now provides claim forms which vary in form according to the type of claim involved. This is a useful practice, particularly for large entities handling many claims; hence, all public entities should be authorized to provide claim forms that require such information as

the public entity specifies. The claimant, however, should not be required to use a form provided by the entity if he presents a claim containing the information required by the statute.

There should not be a requirement that claims be verified. The State claims statute now contains a verification requirement, but the local public entities claims statute does not. Section 72 of the Penal Code makes the presentation of a false or fraudulent claim to a public entity with intent to defraud a felony.

Time for official consideration of claim. A specific period should be allowed for official consideration of the claim, and a claim should be deemed to be rejected as a matter of law at the end of that period in the absence of prior action by the public entity. The State claims statute does not provide any limitation on the period allowed for official consideration of the claim, although it prohibits suit on the claim until it has been rejected or disallowed. This seems unfair to the claimant. The local public entities claims statute, on the other hand, does not provide any period of time for official consideration of the claim; the claimant is entitled to commence his action the same day he files his claim. As previously pointed out, this may result in unnecessary litigation and has other disadvantages.

A period of 45 days is recommended as an appropriate period for official consideration of a claim. At the end of that period, the claim should be deemed to have been rejected if it has not been acted upon by the public entity. The parties should have the power, though, to extend this period by written agreement. Moreover, if a claimant amends his claim, the entity should have another 45 days to act upon the claim. These provisions will provide the parties with a flexible time limit within which to negotiate or settle claims, yet the claimant will not be unduly delayed in the commencement of his action if litigation becomes necessary.

Reduction of technical difficulties and resultant expense in handling of claims. Authority should be given to local public entities to administratively settle and compromise tort claims even when liability is doubtful or the amount of damages suffered is uncertain. Present statutory law appears to authorize such compromise settlements by local public entities only by implication, and only when litigation has commenced. Giving local public entities this authority would enable them to use the same techniques of negotiation and compromise in doubtful cases that are utilized extensively by insurance companies in an effort to avoid litigation.

Local public entities should also be authorized to delegate authority to specified officers or employees to settle administratively tort claims where the settlement does not exceed \$5,000, or such lesser amount as the local public entity determines. This authorization would make available to local public entities, at their option, administrative procedures comparable to those which have been employed successfully by the federal government under the Federal Tort Claims Act and similar legislation. Studies made of these federal administrative tort claims procedures have emphasized their speed, simplicity of operation, inexpensiveness and general fairness in results reached. One of the prin-

cipal advantages of the administrative settlement of tort claims on the federal level is the very substantial reduction in litigation that has resulted therefrom.

In addition, local public entities should be authorized to create claims boards to exercise such functions of the governing body of the public entity relating to the consideration and determination of claims as the public entity authorizes. This would make available to local public entities, at their option, administrative procedures comparable to those used on the State level where the State Board of Control performs the function of considering and determining claims against the State.

The State Board of Control should be given authority to prescribe, by rule, the procedure it will follow in acting on claims. This will, for example, permit the board to dispense with a hearing in certain classes of cases. The Board of Control should be authorized to delegate the performance of such functions of the board relating to claims as the board determines to delegate. This will, for example, permit the board to delegate to an employee the function of giving notice of the insufficiency of a claim, the function of rejecting certain classes of claims, or the function of acting on applications to present late claims. However, the authority to allow, compromise or settle claims should not be delegated by the board to an employee of the board; but the board should be authorized to permit state agencies to adjust and pay claims where the settlement does not exceed \$1,000, or such lesser amount as the board may determine, if a sufficient appropriation for such payment exists and the settlement is approved by the board before payment is made.

Summary of significant time limitations and other conditions under existing law and under the recommended legislation. The summary table on the facing page indicates the variance between significant time limits and other conditions for the presentation of claims against the State and local public entities under existing law as compared with the recommendation of the Commission.

	Local public entities	State	Commission recommendation
Claims for death or for injury to persons or personal property	Must be filed within 100 days	Timely if filed within 2 years (except vehicle torts—1 year)	Must be filed within 100 days
Vehicle claims under Vehicle Code Sections 17001-17003	Must be filed within 100 days	Must be filed within 1 year	Must be filed within 100 days
All other claims	Must be filed within 1 year	Timely if filed within 2 years (except vehicle torts—1 year)	Must be filed within 1 year
Claim by person under disability	With court permission, may extend filing time up to 1 year after normal expiration if entity not "unduly prejudiced"	Filing period extended up to 2 years after removal of disability (which could total many years) even though entity may be prejudiced	Filing period may be extended to 1 year from date of accrual of cause of action even though entity may be prejudiced. Court permission is required only if public entity denies application to present a late claim or fails to act on such application within 35 days of presentation
No claim filed because of mistake, surprise, inadvertence or excusable neglect	No extension of filing period	No extension of filing period	Filing period may be extended to 1 year from date of accrual of cause of action unless entity would be unduly prejudiced. Court permission to present is required if public entity denies application to present a late claim or fails to act on such application within 35 days of presentation
Prior rejection before suit	Not required	Required—no time limit on official consideration	Required—45-day time limit on official consideration (except where extended by agreement)
Verification of claim	Not required	Required	Not required
Waiver of insufficiency of content of claim by failure to object	Provided—must object within 50 days from presentation of claim	Not provided	Provided—must object within 20 days from presentation of claim
Time to sue after rejection	Rejection not required—normal statute of limitations applies	Within 6 months from rejection in all cases (except vehicle cases—6 months or normal statute of limitations, whichever is later time)	Within 6 months from rejection in all cases

Actions Against Public Entities and Public Employees

Consent to suit. The report of the Commission's research consultant indicates that there is a possible doubt whether a tort action may be brought against certain local public entities. A general provision providing that suit may be brought against any public entity should be enacted to eliminate any doubt that might exist whether the rules of substantive liability that are ultimately enacted will be avoided on the technical ground that a particular local public entity is not subject to suit.

Time for commencing action on rejected claim. The Commission has recommended above that the claims presentation procedures be revised so that all public entities will be given an opportunity to consider and act on a claim before a suit may be brought on the claim. In order to avoid troublesome problems as to the interrelationship between the statutes of limitation and the claims statute, a special period of limitations applicable to actions based on claims should also be provided. This period should commence to run from the time the claim is acted upon or is deemed to have been rejected. In order to promote uniformity and avoid undue delay in a suit against a public entity, a relatively short period should be allowed for commencing suit regardless of the nature of the claim. The six-month period now provided in the State claims statute is recommended. The general statutes of limitation would thus have no application to actions against public entities upon causes of action for which claims are required to be filed.

Undertaking by plaintiff; costs allowable against plaintiff. Government Code Section 647 requires a plaintiff who brings an action against the State, except an action arising out of the negligent operation of a motor vehicle, to post an undertaking in an amount to be determined by the court (but with a minimum amount of \$250 required). The undertaking is conditioned upon the payment of costs and reasonable counsel fees if the plaintiff fails to recover a judgment against the State. This provision thus provides a large measure of protection against groundless and unjustified actions against the State. There is no similar requirement for an undertaking in actions brought against local public entities.

The Commission has concluded that all public entities are entitled to protection against unmeritorious litigation, since local public entities are as likely as the State to be subjected to such actions. At the same time, however, no unreasonable burden should be imposed upon a person who has a meritorious cause of action.

The Commission recommends, therefore, that all public entities be authorized, in their discretion, to require the plaintiff to file an undertaking for costs in any action against a public entity. There is no need to require an undertaking for counsel fees since the protection afforded public entities by an undertaking for costs is sufficient to deter litigation-prone persons from instituting unfounded litigation. Moreover, making the undertaking for costs entirely discretionary eliminates any need for an exception like that found in Section 647 for certain actions involving motor vehicles, since it is expected that the

discretion vested in the public entities will be judiciously exercised. To further assure that no unreasonable burden is placed upon a meritorious litigant, the minimum amount of the undertaking should be fixed at \$100, and, while the court on motion should have authority to require an undertaking in excess of this minimum, the public entity should have the burden of showing good cause for increasing the amount of the required undertaking.

If a judgment is rendered for the public entity in any action brought against it, the public entity should be entitled to recover at least \$50 as allowable costs.

Neither the provision permitting the entity to require an undertaking, nor the provision fixing minimum recoverable fees at \$50, should apply to actions commenced in small claims courts.

The Commission further recommends that the protection which would be afforded public entities under this recommendation be extended to actions brought against public employees where the public entity furnishes the defense. This will discourage a plaintiff from bringing an action against the employee alone (instead of against the public entity) merely to avoid the undertaking. Moreover, unmeritorious litigation against public employees should be discouraged to the same extent as litigation against the public entity itself is discouraged.

Settlement of pending actions. Legislation specifying the conditions under which an action against a state agency may be settled should be enacted.

Actions against public employees. Sections 801 and 803 of the Government Code and various municipal charters and ordinances contain provisions that bar suit against a public officer or employee on his personal liability unless a claim for damages is presented within a relatively short time after the claimant's cause of action has accrued. These provisions are hereafter referred to as "personnel claims statutes."

The existing personnel claims statutes are ambiguous, inconsistent and overlapping.⁴ Claimants, attorneys and courts have difficulty in determining which, if any, of the personnel claims statutes applies in a particular case. In addition, these statutes have operated as a procedural trap for unwary plaintiffs.

In 1961, the Commission submitted a recommendation to the Legislature that all personnel claims statutes be repealed.⁵ However, the legislation drafted to effectuate this recommendation was not enacted. The Commission has reviewed its 1961 recommendation to determine whether the personnel claims statutes should be retained, revised or repealed in view of the Commission's other recommendations concerning governmental tort liability.

⁴ For a detailed discussion of the defects in the personnel claims statutes, see research consultant's study, *Recommendation and Study Relating to the Presentation of Claims Against Public Officers and Employees*, 3 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES, Recommendation and Study at H-1, H-13 et seq. (1961).

⁵ See *Recommendation and Study Relating to the Presentation of Claims Against Public Officers and Employees*, 3 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES, Recommendation and Study at H-1 (1961).

The traditional ground used to justify a public entity claims statute—that prompt notice is necessary to permit investigation of the claim and correction of the condition that gave rise to it—does not justify personnel claims statutes. As the Commission stated in its 1961 recommendation :

The recognized justification for a claims statute is that it assures reasonably prompt notice of a potential liability to a defendant whose unique situation requires this preferred treatment. Thus, a claims statute is justified as applied to a public entity which, but for such protection, might frequently find itself sued on stale claims of which it had not theretofore been aware. But the liability of public officers and employees against which the personnel claims procedure affords protection is a personal liability based on the defendant's own negligence. In many cases the injury involved arises directly out of an act or omission of the public officer and employee and he is immediately aware of it. There is no more justification in these cases for requiring a plaintiff to present a claim as a condition of bringing suit than there would be for imposing a similar requirement when a plaintiff sues any other defendant. Of course, in some instances a public officer or employee may be held liable even though he did not have immediate personal knowledge of the injury. But in such cases the public officer's liability is no greater than that of his counterpart in private employment.⁶

Nevertheless, in view of its other recommendations relating to governmental tort liability, the Commission has concluded that some type of personnel claims statute is needed. For example, the Commission recommends that as a general rule a public entity should be required to pay a judgment rendered against its employee for death, injury or damage resulting from an act or omission in the scope of his employment.⁷ If this general rule were adopted, the repeal of the personnel claims statutes would largely negate the protection provided by the proposed entity claims statute; for, if an action against the public entity were barred because a claim was not presented to the public entity as required by the proposed entity claims statute, the claimant could, nevertheless, bring an action against the employee involved and recover a judgment which the public entity ordinarily would then be required to pay. A requirement that public entities assume the ultimate liability for acts or omissions of their personnel in the scope of their employment should not operate, however, to defeat the sound public policy represented in the proposed entity claims statute. It is necessary, therefore, that appropriate legislation be enacted to preserve the effectiveness of that statute.

Accordingly, the Commission recommends :

1. An action against a public employee for death, injury or damage resulting from an act or omission in the scope of his employment should

⁶ *Recommendation and Study Relating to the Presentation of Claims Against Public Officers and Employees*, 3 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES, Recommendation and Study at H-1, H-5 and H-6 (1961).

⁷ See *Recommendation Relating to Sovereign Immunity: Number 1—Tort Liability of Public Entities and Public Employees*, 4 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES 801 (1963).

be barred if an action based on the same act or omission against the employing public entity would be barred because the requirements of the proposed entity claims statute had not been met.

2. A cause of action against a public employee should not be barred, however, if the plaintiff pleads and proves that he did not know or have reason to know within the period allowed for presentation of the claim to the employing public entity that the injury was caused by an act or omission of the public entity or a public employee. This exception is necessary to cover those cases where the circumstances do not disclose that the public employee was acting as such and the plaintiff and his attorney do not discover this fact, and could not reasonably have been expected to discover it, until the time for presenting the claim to the public entity has elapsed.

3. The statutory protection recommended above should supersede any charter, ordinance or regulation of a local public entity which requires the presentation of a claim as a prerequisite to the maintenance of an action against a public employee to enforce his personal liability.

Venue in tort actions against the State. Venue in tort actions against the State is now determined by Section 651 of the Government Code and Section 401 of the Code of Civil Procedure. The effect of these sections is that tort actions against the State may now be tried in any city or county in which the Attorney General has an office.

Legislation should be enacted to provide that the place of trial for a tort action against the State is a court of competent jurisdiction in the county in which the injury occurs. The court should be authorized, however, to change the place of trial in the same manner and under the same circumstances as the place of trial may be changed where the action is between private persons.

The proposed legislation would be fair to both parties. In most cases, the witnesses will reside in the vicinity of the place where the injury occurred. On the other hand, if the present venue provisions are retained, it will often be necessary—as in the case of a tort action involving an injury in a state institution—to transport numerous witnesses to either Sacramento, San Francisco or Los Angeles, the places where the Attorney General presently maintains offices. Moreover, the recommended legislation will prevent the plaintiff from shopping for a forum in an attempt to find a jurisdiction noted for liberal jury verdicts.

Requiring that a tort action against the State ordinarily be tried in the county where the injury occurred would not prove unduly burdensome to either party, since the place of the trial could be changed upon the same showing that would be required if the action were one between private persons.

Service of summons in actions against the State. Service of summons on the Attorney General should be proper in any action against the State. Government Code Section 649 requires service on both the Governor and Attorney General; Government Code Section 648 requires service in certain cases to be made on the Director of Public Works; and Government Code Section 650 requires service in certain other cases to be made on the Director of Water Resources and the Attorney General.

Payment of Claims and Judgments

Payment of tort judgments by local public entities. Existing statutes do not always ensure that local public entities have the authority and the duty to pay tort judgments for which they are liable. In addition, the plaintiff in some cases has no means whereby he can enforce a tort judgment against a local public entity. As a result, some local public entities enjoy a form of practical immunity from tort liability even though they otherwise would be liable under the rules governing their substantive tort liability.

To ensure that local public entities have both the duty and the capacity to pay tort judgments for which they are liable and, at the same time, to protect them against the disruptive financial consequences of large tort judgments, the Commission recommends:

1. All local public entities should have a statutory duty to pay tort judgments for which they are liable. Judgments against public entities, unlike those against private persons, ordinarily cannot be satisfied by execution or other legal process against the assets of the judgment debtor, for public property and funds are generally exempt from execution. However, when a statutory duty is imposed upon public entities to pay tort judgments, it will be clear not only that such entities have authority to pay such judgments, but also that the judgment creditor may obtain a writ of mandate to compel the public entity to pay the judgment.

2. All local public entities should be authorized to pay a tort judgment in instalments over a term not exceeding 10 years when necessary to prevent undue hardship to the public entity. Cities, counties, school districts and county water districts already have authority to spread the payment of judgments over a period of years.⁸

Accordingly, a local public entity liable for a tort judgment should be required to pay the judgment to the extent funds are available in the fiscal year in which the judgment becomes final. If the judgment cannot be paid in full in such fiscal year, the public entity should be required to pay the balance of the judgment in the ensuing fiscal year unless this would result in undue hardship to the entity. In case of undue hardship, the public entity should be authorized to spread the payment of the balance of the judgment over a period not to exceed 10 years.

The delay in receiving payment where the public entity determines to pay the judgment in instalments would not unduly harm the judgment creditor. In the first place, since tort judgments bear interest at the legal rate of seven percent, public entities would be motivated to spread the payment of tort judgments over a period of less than 10 years and to prepay all or part of any one or more instalments whenever this is possible. Moreover, in most cases there would be an available market for the sale or discount of tort judgments that are to be paid in instalments. However, to provide additional assurance that such judg-

⁸ CAL. GOVT. CODE §§ 50170-50175, CAL. WATER CODE §§ 31091-31096 (cities, counties and county water districts authorized to spread the payment of judgments over a period not exceeding 10 years); CAL. EDUC. CODE § 904 (school districts authorized to spread the payment of judgments over a period not exceeding three years).

ments will be marketable, they should be made legal investments for trust funds, banks and insurance companies and for certain public funds and should be permitted to be used as security under certain circumstances.

The authority to pay tort judgments over a period not exceeding 10 years should be in addition to and not in lieu of established procedures presently permitting extended payment of judgments. To avoid unnecessary conflict, however, and to stimulate a ready market for such judgments, Education Code Section 904 should be amended to permit payment of judgments over a period not exceeding 10 years and to remove the four percent limit on the rate of interest now provided. It may be noted that the four percent limit is probably unconstitutional.⁹

3. A few types of public entities appear to be independent for functional purposes but nevertheless are financially dependent upon some other public entity from whom they derive all or part of their funds. The limited ability of such dependent entities to raise their own funds by the exercise of the taxing power should not be permitted to shield them in fact from tort liability where, under applicable rules determining substantive liability, they would otherwise be liable. Accordingly, the contributing entity should be required to include in its appropriations of funds to the dependent entity sufficient moneys to bear its pro rata share of the tort judgments for which the dependent public entity is liable. In the absence of such a provision, a plaintiff might not be able to secure payment of his judgment.

4. The statutory restrictions upon the incurring of debts or liabilities and the statutory limitations upon the maximum permissible rate of property taxation by local public entities should not operate to confer for practical purposes an immunity from tort liability. Accordingly, an express statutory provision should be enacted to make it clear that these limitations do not apply to tort judgments. Such a provision would not impose undue hardship upon local public entities in view of other recommendations of the Commission. For example, instalment payments over a period of 10 years would, in most cases, mitigate the fiscal impact of the requirement that tort judgments be paid. Other recommendations of the Commission would also permit local public entities to mitigate the adverse financial consequences of unanticipated tort judgments. For example, one of the recommendations of the Commission to the 1963 legislative session is that public entities be authorized to purchase insurance.¹⁰ This would permit the substitution of a known annual payment for potential tort liability. Moreover, the Commission's recommendation (set out below) relating to the issuance of bonds to pay judgments would have the effect of permitting payment of tort judgments to be spread over a period of 40 years.

Funding judgments against local public entities with bonds. The expansion of tort liability of governmental entities makes it imperative

⁹ See *Welch v. Dunsmuir Joint Union H.S. Dist.*, 326 P.2d 633 (Cal. App. 1958) (holding the 4 percent interest rate unconstitutional in light of Section 22 of Article 20 of the State Constitution, which sets the minimum interest rate on judgments at 7 percent), vacated without opinion upon hearing granted by the California Supreme Court.

¹⁰ See *Recommendation Relating to Sovereign Immunity: Number 3—Insurance Coverage for Public Entities and Public Employees*, 4 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES 1201 (1963).

to provide governmental entities with means to minimize the disruptive effect of unexpectedly large judgments. Certain governmental entities in California have long been authorized to issue bonds to raise funds to pay tort judgments. The City of Los Angeles issued bonds to fund a liability of almost six million dollars incurred in the St. Francis Dam disaster of the late 1920's. The City of Long Beach issued bonds to obtain funds to pay judgments in excess of \$370,000 that resulted when a platform leading to the entrance to the municipal auditorium collapsed under the weight of a crowd of people in 1914. That these cities were able to fund their tort liabilities with bonds enabled them to meet these obligations without seriously impairing their financial resources.

Similar authority should be extended to all other public entities that levy taxes or assessments and thus have the power to raise revenues to discharge a bonded indebtedness. Inasmuch as the exercise of this power may result in the imposition of taxes to discharge the bonded indebtedness, the power should be exercised only when two-thirds of the voters, voting at an election called for that purpose, authorize the public entity to issue the bonds.

The legislation recommended by the Commission is not limited by its terms to judgments arising out of "tort" actions; it permits the issuance of bonds to pay any judgment. To limit the authorization to "tort" judgments would probably result in litigation brought solely to determine whether particular judgments were "tort" judgments. Since the bonds may be issued only after authorization by two-thirds of the voters, there is ample protection against abuse of the authority that would be granted by the recommended legislation.

Amendments and Repeals

Division 3.5 (commencing with Section 600) of Title 1 of the Government Code should be repealed. This division is the existing statute relating to claims and actions against the State and local public entities and their employees. It would be entirely superseded by the proposed legislation. A disposition table on page 1093 shows where the subject matter of the repealed sections in Division 3.5 is covered in the legislation recommended by the Commission or the reason why the subject matter of those sections is not included in the recommended legislation.

A large number of statutes contain references to Division 3.5 or a portion of that division. Since Division 3.5 would be repealed, it is necessary to delete these references and to replace them with appropriate references to the pertinent provisions of the recommended legislation.

Effective Date of Proposed Legislation

The proposed legislation takes effect on July 1, 1964. This deferred effective date will provide ample time for persons to become familiar with the proposed legislation prior to its effective date.

PROPOSED LEGISLATION

The Commission's recommendation would be effectuated by enactment of the following measure:

An act to add Part 3 (commencing with Section 900), Part 4 (commencing with Section 940) and Part 5 (commencing with Section 965), to Division 3.6 of Title 1 of the Government Code as enacted by Senate Bill No. -- of the 1963 Regular Session, and to amend Section 439.56 of the Agricultural Code, and to add Section 342 to, and to amend Section 313 of, the Code of Civil Procedure, and to amend Sections 904, 926, 16978, 27591, 27891 and 28381 of the Education Code, and to amend Sections 29700, 29706, 29748, 37201, 39586 and 61628 of, and to repeal Division 3.5 (commencing with Section 600) of Title 1 of, and Section 13920.1 of, the Government Code, and to amend Sections 5905, 6095, 6370, 6960 and 7172 of the Harbors and Navigation Code, and to amend Sections 954, 2320, 2880, 4130, 4185.1, 4665.6, 4817, 5617, 5745, 6096, 6805, 9010, 14163.5, 14363, 14488, 20115, 24232, 24374, 24376.40, 32492, 33340 and 34380 of the Health and Safety Code, and to amend Sections 945 and 1209 of the Military and Veterans Code, and to amend Sections 5553.5, 5784.19, 9420 and 11520 of the Public Resources Code, and to amend Sections 12830, 16682, 22601, 25951 and 29060 of the Public Utilities Code, and to amend Sections 8230, 19190, 25360, 26225, 27190, 31867, 33550 and 35707 of the Streets and Highways Code, and to amend Sections 8991, 22727, 31084, 35752, 44457, 50145, 55720, 56117 and 70200 of the Water Code, and to amend Section 3.1 of Chapter 349 of the Statutes of 1873-74, and to amend Section 9.5 of Chapter 63 of the Statutes of 1880, and to amend Section 12.5 of Chapter 158 of the Statutes of 1885, and to amend Section 9 of Chapter 201 of the Statutes of 1895, and to amend Section 49.5 of the Drainage Act of 1903 (Chapter 238, Statutes of 1903), and to amend Section 11 of Chapter 310 of the Statutes of 1905, and to amend Section 46.5 of Chapter 25 of the Statutes of 1907, and to amend Section 19.1 of the Storm Water District Act of 1909 (Chapter 222, Statutes of 1909), and to amend Section 20 of the Municipal Water District Act of 1911 (Chapter 671, Statutes of 1911), and to amend Section 8.5 of Chapter 99 of the Statutes of 1913, and to amend Section 8.5 of Chapter 361 of the Statutes of 1915, and to amend Section 34.5 of the Water Conservation Act of 1927 (Chapter 91, Statutes of 1927), and to amend Section 6.1 of the Metropolitan Water District Act (Chapter 429, Statutes of 1927), and to amend Section 10.5 of Chapter 641 of the Statutes of

1931, and to amend Section 21.1 of the Water Conservation Act of 1931 (Chapter 1020, Statutes of 1931), and to amend Section 135.5 of the California Water Storage and Conservation District Act (Chapter 1253, Statutes of 1941), and to amend Section 15.5 of the County Water Authority Act (Chapter 545, Statutes of 1943), and to amend Section 29 of the Alameda County Flood Control and Water Conservation District Act (Chapter 1275, Statutes of 1949), and to amend Section 10 of the Amador County Water Agency Act (Chapter 2137, Statutes of 1959), and to amend Section 20.5 of the American River Flood Control District Act (Chapter 808, Statutes of 1927), and to amend Section 75 of the Antelope Valley-East Kern Water Agency Law (Chapter 2146, Statutes of 1959), and to amend Section 30 of the Contra Costa County Flood Control and Water Conservation District Act (Chapter 1617, Statutes of 1951), and to amend Section 9.5 of the Contra Costa County Storm Drainage District Act (Chapter 1532, Statutes of 1953), and to amend Section 20 of the Contra Costa County Water Agency Act (Chapter 518, Statutes of 1957), and to amend Section 25 of Chapter 40 of the Statutes of 1962 (1st Ex. Sess.) (Crestline-Lake Arrowhead Water Agency Act), and to amend Section 31 of the Del Norte County Flood Control District Act (Chapter 166, Statutes of 1955), and to amend Section 41 of the El Dorado County Water Agency Act (Chapter 2139, Statutes of 1959), and to amend Section 53 of the Fairfield-Suisun Sewer District Act (Chapter 303, Statutes of 1951), and to amend Section 11.5 of the Fresno Metropolitan Flood Control Act (Chapter 503, Statutes of 1955), and to amend Section 31 of the Humboldt County Flood Control District Act (Chapter 939, Statutes of 1945), and to amend Section 15 of the Kings River Conservation District Act (Chapter 931, Statutes of 1951), and to amend Section 34 of the Lake County Flood Control and Water Conservation District Act (Chapter 1544, Statutes of 1951), and to amend Section 13 of the Lassen-Modoc County Flood Control and Water Conservation District Act (Chapter 2127, Statutes of 1959), and to amend Section 14½ of the Los Angeles County Flood Control Act (Chapter 755, Statutes of 1915), and to amend Section 4.23 of the Los Angeles Metropolitan Transit Authority Act of 1957 (Chapter 547, Statutes of 1957), and to amend Section 11 of the Lower San Joaquin Levee District Act (Chapter 1075, Statutes of 1955), and to amend Section 29 of the Marin County Flood Control and Water Conservation District Act (Chapter 666, Statutes of 1953), and to amend Section 10 of the Mariposa County Water Agency Act (Chapter 2036, Statutes of 1959), and to amend Section 8 of the Mendocino County Flood Control and Water Conservation District Act (Chapter 995, Statutes of 1949), and to amend Section 24 of the Mojave Water Agency Law

(Chapter 2146, Statutes of 1959), and to amend Section 53 of the Montalvo Municipal Improvement District Act (Chapter 549, Statutes of 1955), and to amend Section 30 of the Monterey County Flood Control and Water Conservation District Act (Chapter 699, Statutes of 1947), and to amend Section 15.1 of the Monterey Peninsula Airport District Act (Chapter 52, Statutes of 1941), and to amend Section 8 of the Morrison Creek Flood Control District Act (Chapter 1771, Statutes of 1953), and to amend Section 30 of the Napa County Flood Control and Water Conservation District Act (Chapter 1449, Statutes of 1951), and to amend Section 42 of the Nevada County Water Agency Act (Chapter 2122, Statutes of 1959), and to amend Section 3.1 of the Orange County Flood Control Act (Chapter 723, Statutes of 1927), and to amend Section 20.5 of the Orange County Water District Act (Chapter 924, Statutes of 1933), and to amend Section 29.5 of the Palo Verde Irrigation District Act (Chapter 452, Statutes of 1923), and to amend Section 13 of the Plumas County Flood Control and Water Conservation District Act (Chapter 2114, Statutes of 1959), and to amend Section 15 of the Riverside County Flood Control and Water Conservation District Act (Chapter 1122, Statutes of 1945), and to amend Section 8.1 of the Sacramento County Water Agency Act (Chapter 10, Statutes of 1952 (1st Ex. Sess.)), and to amend Section 34 of the San Benito County Water Conservation and Flood Control District Act (Chapter 1598, Statutes of 1953), and to amend Section 8 of the San Bernardino County Flood Control Act (Chapter 73, Statutes of 1939), and to amend Section 17.5 of the San Diego County Flood Control District Act (Chapter 1372, Statutes of 1945), and to amend Section 30 of the San Luis Obispo County Flood Control and Water Conservation District Act (Chapter 1294, Statutes of 1945), and to amend Section 9 of the San Mateo County Flood Control District Act (Chapter 2108, Statutes of 1959), and to amend Section 31 of the Santa Barbara County Flood Control and Water Conservation District Act (Chapter 1057, Statutes of 1955), and to amend Section 8.1 of the Santa Barbara County Water Agency Act (Chapter 1501, Statutes of 1945), and to amend Section 48 of the Santa Clara-Alameda-San Benito Water Authority Act (Chapter 1289, Statutes of 1955), and to amend Section 30 of the Santa Clara County Flood Control and Water Conservation District Act (Chapter 1405, Statutes of 1951), and to amend Section 154 of the Santa Cruz County Flood Control and Water Conservation District Act (Chapter 1489, Statutes of 1955), and to amend Section 13 of the Sierra County Flood Control and Water Conservation District Act (Chapter 2123, Statutes of 1959), and to amend Section 13 of the Siskiyou County Flood Control and Water Conservation District Act (Chapter 2121, Stat-

utes of 1959), and to amend Section 8.1 of the Solano County Flood Control and Water Conservation District Act (Chapter 1656, Statutes of 1951), and to amend Section 53 of the Solvang Municipal Improvement District Act (Chapter 1635, Statutes of 1951), and to amend Section 8 of the Sonoma County Flood Control and Water Conservation District Act (Chapter 994, Statutes of 1949), and to amend Section 10 of the Sutter County Water Agency Act (Chapter 2088, Statutes of 1959), and to amend Section 23 of the Upper Santa Clara Valley Water Agency Law (Chapter 28, Statutes of 1962 (1st Ex. Sess.)), and to amend Section 2.5 of the Vallejo Sanitation and Flood Control District Act (Chapter 17, Statutes of 1952 (1st Ex. Sess.)), and to amend Section 13 of the Ventura County Flood Control Act (Chapter 44, Statutes of 1944 (4th Ex. Sess.)), and to amend Section 8 of the Yolo County Flood Control and Water Conservation District Act (Chapter 1657, Statutes of 1951), and to amend Section 10 of the Yuba County Water Agency Act (Chapter 788, Statutes of 1959), and to amend Section 40 of the Yuba-Bear River Basin Authority Act (Chapter 2131, Statutes of 1959), relating to claims, actions and judgments against public entities and public officers, agents and employees.

The people of the State of California do enact as follows:

SECTION 1. Part 3 (commencing with Section 900) is added to Division 3.6 of Title 1 of the Government Code as enacted by Senate Bill No. __ of the 1963 Regular Session, to read:

PART 3. CLAIMS AGAINST PUBLIC ENTITIES

CHAPTER 1. GENERAL

Article 1. Definitions

900. Unless the provision or context otherwise requires, the definitions contained in this article govern the construction of this part.

Comment: This section is based on similar provisions found in the definitions or general provisions portions of various codes. See, for example, Section 5 of the Government Code.

The definitions contained in Part 1 of Division 3.6 will, of course, apply to this part. Part 1 contains the following provisions:

810. Unless the provision or context otherwise requires, the definitions contained in this part govern the construction of this division.

810.2. "Employee" includes an officer, agent or employee, but does not include an independent contractor.

810.4. "Employment" includes office, agency or employment.

810.6. "Enactment" means a constitutional provision, statute, charter provision, ordinance or regulation.

810.8. "Injury" means death, injury to a person, damage to or loss of property, or any other injury that a person may suffer to his person, reputation, character, feelings or estate, of such nature that it would be actionable if inflicted by a private person.

811. "Law" includes not only enactments but also the decisional law applicable within this State as determined and declared from time to time by the courts of this State and of the United States.

811.2. "Public entity" includes the State, the Regents of the University of California, a county, city, district, public authority, public agency, and any other political subdivision or public corporation in the State.

811.4. "Public employee" means an employee of a public entity.

811.6. "Regulation" means a rule, regulation, order or standard, having the force of law, adopted by an employee or agency of the United States or of a public entity pursuant to authority vested by constitution, statute, charter or ordinance in such employee or agency to implement, interpret or make specific the law enforced or administered by the employee or agency.

811.8. "Statute" means an act adopted by the Legislature of this State or by the Congress of the United States, or a statewide initiative act.

900.2. "Board" means:

(a) In the case of a local public entity, the governing body of the local public entity.

(b) In the case of the State, the State Board of Control.

Comment: "Board" has been defined to facilitate the drafting of provisions that apply both to the State and to local public entities.

900.4. "Local public entity" includes a county, city, district, public authority, public agency, and any other political subdivision or public corporation in the State, but does not include the State.

Comment: The definitions of "State" and "local public entity" are based on the definition of "local public entity" contained in Government Code Section 700.

900.6. "State" means the State and any office, officer, department, division, bureau, board, commission or agency of the State claims against which are paid by warrants drawn by the Controller.

Comment: See the comment to Section 900.4.

901. For the purpose of computing the time limits prescribed by Sections 911.2, 911.4 and 912, the date of the accrual of a cause of action to which a claim relates is the date upon which the cause of action would be deemed to have accrued within the meaning of the statute of limitations which

would be applicable thereto if there were no requirement that a claim be presented to and be acted upon by the public entity before an action could be commenced thereon.

Comment: This section is based on the second paragraph of Government Code Section 715, which applies to claims against local public entities. There is no existing comparable statutory provision that applies to claims against the State.

Article 2. General Provisions

905. There shall be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of this part all claims for money or damages against local public entities except:

(a) Claims under the Revenue and Taxation Code or other statute prescribing procedures for the refund, rebate, exemption, cancellation, amendment, modification or adjustment of any tax, assessment, fee or charge or any portion thereof, or of any penalties, costs or charges related thereto.

(b) Claims in connection with which the filing of a notice of lien, statement of claim, or stop notice is required under any provision of law relating to mechanics', laborers' or materialmen's liens.

(c) Claims by public employees for fees, salaries, wages, mileage or other expenses and allowances.

(d) Claims for which the workmen's compensation authorized by Division 4 (commencing with Section 3201) of the Labor Code is the exclusive remedy.

(e) Applications or claims for any form of public assistance under the Welfare and Institutions Code or other provisions of law relating to public assistance programs, and claims for goods, services, provisions or other assistance rendered for or on behalf of any recipient of any form of public assistance.

(f) Applications or claims for money or benefits under any public retirement or pension system.

(g) Claims for principal or interest upon any bonds, notes, warrants, or other evidences of indebtedness.

(h) Claims which relate to a special assessment constituting a specific lien against the property assessed and which are payable from the proceeds of such an assessment, by offset of a claim for damages against it or by delivery of any warrant or bonds representing it.

(i) Claims by the State or by a State department or agency or by another local public entity.

(j) Claims arising under any provision of the Unemployment Insurance Code, including but not limited to claims for money or benefits, or for refunds or credits of employer or worker contributions, penalties, or interest, or for refunds to workers of deductions from wages in excess of the amount prescribed.

(k) Claims for the recovery of penalties or forfeitures made pursuant to Article 1 of Chapter 1 of Part 7 of Division 2 of the Labor Code (commencing with Section 1720).

(l) Claims governed by the Pedestrian Mall Law of 1960, Division 13 (commencing with Section 11000) of the Streets and Highways Code.

Comment: This section is the same in substance as Government Code Section 703. See new Section 935 for procedure for claims excepted from Chapters 1 and 2.

905.2. There shall be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of this part all claims for money or damages against the State:

(a) For which no appropriation has been made or for which no fund is available but the settlement of which has been provided for by enactment.

(b) For which the appropriation made or fund designated is exhausted.

(c) For money or damages (1) on express contract, (2) for an injury for which the State is liable or (3) for the taking or damaging of private property for public use within the meaning of Section 14 of Article I of the Constitution.

(d) For which settlement is not otherwise provided for by enactment.

Comment: This section—which restates the substance of portions of Government Code Sections 620, 621 and 641—is patterned after Section 630 (Title 2 of the CAL. ADMIN. CODE) of the Rules of the State Board of Control.

905.4. Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of this part shall not be construed to be an exclusive means for presenting claims to the Legislature nor as preventing the Legislature from making such appropriations as it deems proper for the payment of claims against the State which have not been submitted to the board or recommended for payment by it pursuant to Chapters 1 and 2 of this part.

Comment: This section is the same in substance as Government Code Section 625.

905.6. This part does not apply to claims against the Regents of the University of California.

Comment: This section codifies existing law as declared by two trial court decisions which, the Commission is advised, held that neither the State nor the local public entity claims presentation procedures apply to claims against the University of California.

905.8. Nothing in this part imposes liability upon a public entity unless such liability otherwise exists.

Comment: This section is new. It makes clear that the claims presentation provisions do not impose substantive liability; some other statute must be found that imposes liability.

CHAPTER 2. PRESENTATION AND CONSIDERATION OF CLAIMS

Article 1. General

910. A claim shall be presented by the claimant or by a person acting on his behalf and shall show:

- (a) The name and post office address of the claimant;
- (b) The post office address to which the person presenting the claim desires notices to be sent;
- (c) The date, place and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
- (d) A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim; and
- (e) The amount claimed as of the date of presentation of the claim, together with the basis of computation thereof.

Comment: This section is the same as the first paragraph of Government Code Section 711, which applies to local public entities. This section will substitute a more specific statement of the contents of a claim for the very general statement found in Government Code Section 621, which applies to the State and requires that "any person having a claim against the State . . . shall present it to the board . . . , accompanied by a statement showing the facts constituting the claim."

910.2. The claim shall be signed by the claimant or by some person on his behalf. Claims against local public entities for supplies, materials, equipment or services need not be signed by the claimant or on his behalf if presented on a bill-head or invoice regularly used in the conduct of the business of the claimant.

Comment: This section is the same as the second paragraph of Government Code Section 711, which applies to local public entities. It will eliminate the requirement of Government Code Section 621 that claims against the State be "verified in the same manner as complaints in civil actions." Claims against local public entities are not required by existing law to be verified.

910.4. The board may provide forms specifying the information to be contained in claims against the public entity. If the board provides forms pursuant to this section, the person presenting a claim need not use such form if he presents his

claim in conformity with Sections 910 and 910.2. If he uses the form provided pursuant to this section and complies substantially with its requirements, he shall be deemed to have complied with Sections 910 and 910.2.

Comment: This section is new. It permits public entities to provide a form that a claimant may use in lieu of submitting a claim containing the information specified in new Section 910. However, a claimant is not required to use the form provided by the public entity; he may submit his claim in compliance with new Sections 910 and 910.2.

910.6. (a) A claim may be amended at any time before the expiration of the period designated in Section 911.2 or before final action thereon is taken by the board, whichever is later, if the claim as amended relates to the same transaction or occurrence which gave rise to the original claim. The amendment shall be considered a part of the original claim for all purposes.

(b) A failure or refusal to amend a claim, whether or not notice of insufficiency is given under Section 910.8, shall not constitute a defense to any action brought upon the cause of action for which the claim was presented if the court finds that the claim as presented complied substantially with Sections 910 and 910.2 or a form provided under Section 910.4.

Comment: Paragraph (a) governs the amendment of claims. Existing law applying to local public entities (Government Code Section 711) provides that "a claim may be amended at any time, and the amendment shall be considered a part of the original claim for all purposes." There is no existing statutory provision relating to amendment of claims against the State.

Paragraph (b) is based on a portion of Government Code Section 712 which applies to local public entities.

910.8. (a) If in the opinion of the board a claim as presented fails to comply substantially with the requirements of Sections 910 and 910.2, or with the requirements of a form provided under Section 910.4 if a claim is presented pursuant thereto, the board may, at any time within 20 days after the claim is presented, give written notice of its insufficiency, stating with particularity the defects or omissions therein.

(b) Such notice may be given personally to the person presenting the claim or by mailing it to the address, if any, stated in the claim as the address to which the person presenting the claim desires notices to be sent. If no such address is stated in the claim, the notice may be mailed to the address, if any, of the claimant as stated in the claim.

(c) The board may not take action on the claim for a period of 15 days after such notice is given.

Comment: This section is the same as Government Code Section 712, which applies to local public entities, except that (1) Section 712 provides for notice of insufficiency within 50 days instead of within 20 days, and (2) Section 712 prohibits board action on the claim for a period of 20 days instead of 15 days. The shorter time limits under new Section 910.8 are necessary because this legislation is designed to give the board an opportunity to consider the claim before court action may be commenced. Under existing law, there is no similar provision that provides for notice of insufficiency of claims against the State.

The board may delegate to an employee of the entity the function of ruling on the sufficiency of claims and giving notice of insufficiency if the board deems it more convenient to do so than to perform this function itself. See new Sections 912.8 and 935.4.

911. Any defense based upon a defect or omission in a claim as presented is waived by failure of the board to give notice of insufficiency with respect to such defect or omission as provided in Section 910.8, except that no notice need be given and no waiver shall result when the claim as presented fails to state either an address to which the person presenting the claim desires notices to be sent or an address of the claimant.

Comment: This section is the same as Government Code Section 713, which applies to local public entities. No comparable statutory provision now exists with respect to claims against the State.

911.2. A claim relating to a cause of action for death or for injury to person or to personal property or growing crops shall be presented as provided in Article 2 (commencing with Section 915) of this chapter not later than the 100th day after the accrual of the cause of action. A claim relating to any other cause of action shall be presented as provided in Article 2 (commencing with Section 915) of this chapter not later than one year after the accrual of the cause of action.

Comment: This section is substantially the same as the first paragraph of Government Code Section 715, which applies to local public entities. It will provide a shorter period of time for presenting a claim against the State than the existing law (Government Code Sections 643 and 644), which provides that a claim arising under Sections 17000 to 17003, inclusive, of the Vehicle Code shall be presented to the board within one year after the claim first arose or accrued and that other claims shall be presented within two years after the claim first arose or accrued.

911.4. When a claim that is required by Section 911.2 to be presented not later than the 100th day after the accrual of the cause of action is not presented within such time, a written application may be made to the public entity for leave to present such claim. The application shall be presented to the pub-

lic entity as provided in Article 2 (commencing with Section 915) of this chapter within a reasonable time not to exceed one year after the accrual of the cause of action and shall state the reason for the delay in presenting the claim. The proposed claim shall be attached to the application.

Comment: Sections 911.4 to 911.8 are new. These sections permit public entities to grant leave to present a late claim under certain circumstances. This will make a court proceeding to obtain leave to present a late claim necessary only in those cases where the public entity does not grant such leave. Under the existing law applicable to local public entities, late claims may be presented only in limited types of cases and a court proceeding is necessary in every case before a late claim may be presented. New Section 911.6 states the types of cases where late claims may be presented.

911.6. (a) The board shall grant or deny the application within 35 days after it is presented to the board. If the board does not act upon the application within 35 days after the application is presented, the application shall be deemed to have been denied on the 35th day.

(b) The board shall grant the application where:

(1) The failure to present the claim was through mistake, inadvertence, surprise or excusable neglect and the public entity was not unduly prejudiced by the failure to present the claim within the time specified in Section 911.2; or

(2) The claimant was a minor during all of the time specified in Section 911.2 for the presentation of the claim; or

(3) The claimant was physically or mentally incapacitated during all of the time specified in Section 911.2 for the presentation of the claim and by reason of such disability failed to present a claim during such time; or

(4) The claimant died before the expiration of the time specified in Section 911.2 for the presentation of the claim.

Comment: Government Code Section 716 (which applies to local public entities) permits presentation of a late claim only if the public entity would not be unduly prejudiced thereby, and then only in cases where the claimant was a minor, was physically or mentally incapacitated, or has died. New Sections 911.6 and 912, on the other hand, permit presentation of late claims in these cases even though the public entity may be prejudiced thereby. In addition, these sections permit the presentation of late claims in cases where the failure to present the claim was through mistake, inadvertence, surprise or excusable neglect if the public entity would not be unduly prejudiced thereby.

Government Code Section 646 (which applies to claims against the State) permits late presentation of a claim of a minor, an insane person, a person imprisoned on a criminal charge or undergoing execution of sentence of a criminal court, a married woman if her husband is a necessary party with her in commencing the action thereon, or an incompetent person. No showing of lack of prejudice is required under Section 646.

See also the comments to Sections 911.4 and 912.

911.8. Written notice of the board's action upon the application shall be given to the claimant personally or by mailing it to the address, if any, stated in the proposed claim as the address to which the person making the application desires notices to be sent. If no such address is stated in the claim, the notice shall be mailed to the address, if any, of the claimant as stated in the claim. No notice need be given when the proposed claim fails to state either an address to which the person presenting the claim desires notices to be sent or an address of the claimant.

Comment: See the comment to Section 911.4.

912. (a) As used in this section, "superior court" means:

(1) In the case of a claim against a local public entity, the superior court of the county in which the local public entity has its principal office.

(2) In the case of a claim against the State, the superior court of any county in which the Attorney General has an office.

(b) The superior court shall grant leave to present a claim after the expiration of the time specified in Section 911.2 where the application to the board under Section 911.4 was made within a reasonable time not to exceed one year after the accrual of the cause of action and was denied or deemed denied pursuant to Section 911.6 and:

(1) The failure to present the claim was through mistake, inadvertence, surprise or excusable neglect unless the public entity against which the claim is made establishes that it would be unduly prejudiced if leave to present the claim were granted; or

(2) The claimant was a minor during all of the time specified in Section 911.2 for the presentation of the claim; or

(3) The claimant was physically or mentally incapacitated during all of the time specified in Section 911.2 for the presentation of the claim and by reason of such disability failed to present a claim during such time; or

(4) The claimant died before the expiration of the time specified in Section 911.2 for the presentation of the claim.

(c) Application to the superior court for leave to present a claim under this section must be made by a petition showing (1) that application was made to the board under Section 911.4 and was denied or deemed denied and (2) the reason for the failure to present the claim. A copy of the proposed claim shall be attached to the petition. The petition shall be filed within 20 days after the application to the board is denied or deemed denied.

(d) A copy of the petition and the proposed claim and a written notice of the time and place of hearing thereof shall be served (1) on the clerk or secretary or board of the local public entity if the claim is against a local public entity, or

(2) on the State Board of Control or its secretary if the claim is against the State, not less than 10 days before the hearing.

(e) The court shall make an independent determination upon the application. The determination shall be made upon the basis of the petition, any affidavits in support of or in opposition to the petition, and any additional evidence received at the hearing on the petition.

Comment: This section is based on Government Code Section 716, which relates to local public entities. See the comment to Section 911.6. The requirement of Government Code Section 716 that the petition be verified has been eliminated.

There is no similar existing statutory procedure for petitioning a court for leave to file a late claim against the State. However, Government Code Section 646 permits the presentation of claims against the State by certain persons under disability within two years after the disability ceases. See the comment to Section 911.6. In addition, the claims presentation procedure is not the exclusive means for presenting claims to the Legislature. See Government Code Section 625—renumbered Section 905.4 by this legislation.

912.2. If an application for leave to present a claim is granted by the board pursuant to Section 911.6, or if a petition for leave to present a claim is granted by the court pursuant to Section 912, the claim shall be deemed to have been presented to the board upon the day that leave to present the claim is granted.

Comment: Section 912.2 is new. It is necessary in order to fix the date from which to compute the time within which the board must act on the claim under new Section 912.4.

912.4. The board shall act on a claim in the manner provided in Section 912.6 or 912.8 within 45 days after the claim has been presented. If a claim is amended, the board shall act on the amended claim within 45 days after the amended claim is presented. The claimant and the board may extend the period within which the board is required to act on the claim by written agreement made before or after the expiration of such period. If the board fails or refuses to act on a claim within the time prescribed by this section, the claim shall be deemed to have been rejected by the board on the last day of the period within which the board was required to act upon the claim. If the period within which the board is required to act is extended by agreement, whether made before or after the expiration of such period, the last day of the period within which the board is required to act shall be the last day of the period specified in such agreement.

Comment: This section is new. Under Government Code Sections 643 and 644, an action may not be brought against the State until the claim is rejected or disallowed in whole or in part, and no time is

prescribed within which the State Board of Control must act on the claim. On the other hand, under existing law, an action may be brought against a local public entity as soon as the claim has been presented.

Although this section provides that a claim is deemed to be rejected if the board does not act within 45 days, it expressly authorizes the claimant and the board to extend the 45-day period by agreement. In addition, new Section 913.2 authorizes reconsideration and settlement of claims within the period allowed for commencing an action. Settlement or compromise of pending litigation is covered by new Sections 948 (State) and 949 (local public entities).

912.6. (a) In the case of a claim against a local public entity, the board shall act on a claim in one of the following ways:

(1) If the board finds the claim is not a proper charge against the public entity, it shall reject the claim.

(2) If the board finds the claim is a proper charge against the public entity and is for an amount justly due, it shall allow the claim.

(3) If the board finds the claim is a proper charge against the public entity but is for an amount greater than is justly due, it shall either reject the claim or allow it in the amount justly due and reject it as to the balance.

(4) If legal liability of the public entity or the amount justly due is disputed, the board may reject the claim or may compromise the claim.

(b) In the case of a claim against a local public entity, if the board allows the claim in whole or in part or compromises the claim, it may require the claimant, if he accepts the amount allowed or offered to settle the claim, to accept it in settlement of the entire claim.

Comment: This section is based on Government Code Section 717; but subdivision (a)(4), authorizing compromise of claims, is new.

912.8. In the case of claims against the State, the board shall act on claims in accordance with such procedure as the board, by rule, may prescribe. It may hear evidence for and against them and, with the approval of the Governor, report to the Legislature such facts and recommendations concerning them as it deems proper. In making recommendations the board may state and use any official or personal knowledge which any member may have touching any claim. The board may authorize any employee of the State to perform such functions of the board under this part as are prescribed by the board; but, subject to Section 935.6, the board may not authorize an employee to allow, compromise or settle a claim.

Comment: This section is based on Government Code Sections 620 (second paragraph) and 622, which apply to the State. It authorizes the Board of Control to prescribe, by rule, the procedure for disposi-

tion of claims. Giving the board this broad authority permits the elimination of the provisions of Government Code Section 621 relating to notice of time and place of hearing on the claim and allows the repeal of Government Code Section 624, which permits the automatic denial of any claim covered by insurance. See new Section 965, which provides for payment of allowed claims when a sufficient appropriation for payment exists.

913. Written notice of any action taken under Section 912.6 or 912.8 rejecting a claim in whole or in part shall be given to the person who presented the claim. Such notice may be given by mailing it to the address, if any, stated in the claim as the address to which the person presenting the claim desires notice to be sent. If no such address is stated in the claim, the notice may be mailed to the address, if any, of the claimant as stated in the claim. No notice need be given when the claim fails to state either an address to which the person presenting the claim desires notices to be sent or an address of the claimant.

Comment: This section is based on the second paragraph of Government Code Section 717, which applies to local public entities. There is no similar statutory provision relating to claims against the State.

913.2. The board may, in its discretion, within the time prescribed by Section 945.6 for commencing an action on the claim, re-examine a previously rejected claim in order to consider a settlement of the claim.

Comment: This section is new.

Article 2. Manner of Presentation and of Giving Notice

915. (a) A claim, any amendment thereto, or an application to the public entity for leave to present a late claim shall be presented to a local public entity by:

(1) Delivering it to the clerk, secretary or auditor thereof;
or

(2) Mailing it to such clerk, secretary or auditor or to the governing body at its principal office.

(b) A claim, any amendment thereto, or an application for leave to file a late claim shall be presented to the State by:

(1) Delivering it to an office of the State Board of Control;
or

(2) Mailing it to the State Board of Control at its principal office.

(c) A claim, amendment or application shall be deemed to have been presented in compliance with this section even though it is not delivered or mailed as provided in this section if it is actually received by the clerk, secretary, auditor or board of the local public entity, or is actually received at an office of the State Board of Control, within the time prescribed for presentation thereof.

Comment: This section is based on Government Code Section 714, which applies to local public entities. There is no similar statutory provision relating to claims against the State.

915.2. If a claim, amendment to a claim or application to a public entity for leave to present a late claim is presented or sent by mail under this chapter, or if any notice under this chapter is given by mail, the claim, amendment, application or notice shall be mailed in the manner prescribed in this section. The claim, amendment, application or notice must be deposited in the United States post office, or a mailbox, sub-post office, substation, or mail chute, or other like facility regularly maintained by the government of the United States, in a sealed envelope, properly addressed, with postage paid. The claim, amendment, application or notice shall be deemed to have been presented and received at the time of the deposit. Proof of mailing may be made in the manner prescribed by Section 1013a of the Code of Civil Procedure.

Comment: This section is new. It makes clear that a claim, amendment to a claim, application to present a late claim, or any notice, is deemed to have been presented and received at the time of deposit in the mail. The section is based in part on Section 1013 of the Code of Civil Procedure relating to service by mail.

CHAPTER 3. PROCEEDINGS TO DETERMINE CONSTITUTIONALITY OF CLAIMS AGAINST THE STATE

Comment: This chapter is the same as Article 3 (commencing with Section 630) of Chapter 1 of Division 3.5 of Title 1 of the Government Code and supersedes that article.

920. As used in this chapter, "omnibus claim appropriation" means an act of appropriation, or an item of appropriation in a budget act, by which the Legislature appropriates a lump sum to pay the claim of the State Board of Control or its secretary against the State in an amount which the Legislature has determined is properly chargeable to the State.

920.2. Promptly following the effective date of an omnibus claim appropriation, the board or its secretary shall submit to the Controller a claim covering the full amount of the appropriation made in the omnibus claim appropriation. Any such claim is exempt from the provisions of Chapter 4 (commencing with Section 925) of this part, and the board shall have those powers necessary to administer and disburse the omnibus claim appropriation.

920.4. If the Controller believes or has reason to believe that the payment of any portion of the omnibus claim appropriation may violate the provisions of the Constitution, he shall withhold payment of the questioned portion and shall

issue his warrant for the remainder of the appropriation. The secretary, subject to the board's approval, shall promptly disburse the undisputed portion of the omnibus claim appropriation and shall promptly give notice to the Joint Legislative Budget Committee of the Controller's action concerning the withheld portion.

920.6. Unless the Joint Legislative Budget Committee within 60 days after receipt of such notice advises the board in writing that the Legislature desires to reconsider any part of the withheld portion, the board shall institute proceedings to compel the Controller to issue his warrant for the balance of the omnibus claim appropriation. The board shall prosecute any such proceeding to final determination and shall disburse the funds finally paid over to it. Funds subject to such proceedings shall continue to be available until the end of the fiscal year in which final determination of the proceeding occurs.

920.8. If the Joint Legislative Budget Committee advises the board that the Legislature desires to reconsider any part of the omnibus claim appropriation withheld by the Controller, no further action shall be taken with respect to that part and the money appropriated therefor shall revert to funds from which they were appropriated, pending further legislative action. The board, however, shall institute proceedings as provided in Section 920.6 to compel payment of the remainder of the omnibus claim appropriation withheld by the Controller.

CHAPTER 4. PRESENTATION OF CLAIMS TO STATE CONTROLLER

Comment: This chapter is the same as Article 1 (commencing with Section 600) of Chapter 1 of Division 3.5 of Title 1 of the Government Code and supersedes that article.

925. As used in this chapter, "board" means the State Board of Control.

925.2. Claims for expenses of either house of the Legislature or members or committees thereof, and claims for official salaries fixed by statute, are exempt from this chapter and Section 13920.

925.4. Any person having a claim against the State for which appropriations have been made, or for which state funds are available, may present it to the Controller in the form and manner prescribed by the general rules and regulations adopted by the board for the presentation and audit of claims.

925.6. The Controller shall not draw his warrant for any claim until it has been audited by him in conformity with law and the general rules and regulations adopted by the board, governing the presentation and audit of claims. Whenever the Controller is directed by law to draw his warrant for any pur-

pose, the direction is subject to this section, unless it is accompanied by a special provision exempting it from this section.

925.8. If the Controller approves a claim he shall draw his warrant for the amount approved in favor of the claimant.

926. If he disapproves a claim, the Controller shall file it and a statement of his disapproval and his reasons with the board as prescribed in the rules and regulations of the board.

926.2. The Controller shall not entertain for a second time a claim against the State once rejected by him or by the Legislature unless such facts are subsequently presented to the board as in suits between individuals would furnish sufficient ground for granting a new trial.

926.4. Any person who is aggrieved by the disapproval of a claim by the Controller, may appeal to the board. If the board finds that facts are presented justifying such action, the Controller shall reconsider his rejection of the claim.

926.6. After final rejection of a claim by the Controller following reconsideration, any person interested may appeal to the Legislature by filing with the board a notice of appeal. Upon receipt of such notice the board shall transmit to the Legislature the rejected claim, all papers accompanying it, and a statement of the evidence taken before the board.

926.8. Whenever a governmental agency of the United States, in the collection of taxes or amounts owing to it, is authorized by federal law to levy administratively on credits owing to a debtor, it may avail itself of the provisions of this section and claim credits owing by the State to such debtor, in manner as follows:

It shall file a certification of the facts with the state department, board, office or commission owing the credit to the debtor prior to the time the state agency presents the claims of the debtor therefor to the State Controller or to the State Personnel Board. The state agency in presenting the claim of the debtor shall note thereon the fact of the filing of the certificate and shall also note any amounts owed by the debtor to the State by reason of advances or for any other purpose.

Subject to the provisions of Sections 12419.4 and 12419.5, the State Controller shall issue his warrant payable to the United States Treasurer for the net amount due the debtor, after offsetting for any amounts advanced to the debtor or by him owing to the State, or as much thereof as will satisfy in full the amount owing by the debtor to the United States as so certified; any balance shall be paid to the debtor.

CHAPTER 5. CLAIMS PROCEDURES ESTABLISHED BY AGREEMENT

930. The State Board of Control may, by rule, authorize any state agency to include in any written agreement to which the agency is a party, provisions governing (a) the presenta-

tion, by or on behalf of any party thereto, of any or all claims which are required to be presented to the board arising out of or related to the agreement and (b) the consideration and payment of such claims. A claims procedure established by an agreement made pursuant to this section exclusively governs the claims to which it relates, except that Sections 911.4 to 912.2, inclusive, are applicable to all such claims. As used in this section, "state agency" means any office, officer, department, division, bureau, board, commission or agency of the State claims against which are paid by warrants drawn by the Controller.

Comment: This section is new and is based on new Section 930.2, which relates to local public entities. See the comment to that section.

This section relates only to claims which are required to be presented to the State Board of Control. Thus, the section will have no effect on contract provisions, such as those contained in contracts entered into by the Department of Public Works, which require the contractor to give prompt notice of claims for extra services. These provisions will be valid without authorization of the State Board of Control, for these provisions do not relate to "claims which are required to be presented to the board."

930.2. The governing body of a local public entity may include in any written agreement to which the entity, its governing body, or any board or employee thereof in an official capacity is a party, provisions governing the presentation, by or on behalf of any party thereto, of any or all claims arising out of or related to the agreement and the consideration and payment of such claims. The written agreement may incorporate by reference claim provisions set forth in a specifically identified ordinance or resolution theretofore adopted by the governing body. A claims procedure established by an agreement made pursuant to this section exclusively governs the claims to which it relates, except that Sections 911.4 to 912.2, inclusive, are applicable to all such claims.

Comment: This section is the same in substance as Government Code Section 705, except that Section 705 provides that the agreement may not provide a shorter time for presentation of claims than the time specified for presentation of claims under the general claims statute applicable to local public entities.

CHAPTER 6. CLAIMS PROCEDURES ESTABLISHED BY PUBLIC ENTITIES

935. Claims against a local public entity for money or damages which are excepted by Section 905 from Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of this part, and which are not governed by any other statutes or regulations expressly relating thereto,

shall be governed by the procedure prescribed in any charter, ordinance or regulation adopted by the local public entity. The procedure so prescribed may include a requirement that a claim be presented and acted upon as a prerequisite to suit thereon, but may not require a shorter time for presentation of any claim than the time provided in Section 911.2 nor provide a longer time for action upon any claim than the time provided in Section 912.4, and Sections 911.4 to 912.2, inclusive, are applicable to all claims governed thereby.

Comment: Section 935 is the same as Government Code Section 730, except Section 935 provides that the procedure prescribed pursuant to Section 935 may include a requirement that the claim be *acted upon* as a prerequisite to suit thereon. This change conforms to new Section 945.4, which bars suit until claim is rejected or deemed to be rejected.

It should be noted that where claims provisions impose a requirement of presentation or presentation and rejection prior to commencement of suit on the cause of action represented by the claim, the action cannot be commenced and the statute of limitations does not begin to run until the prescribed conditions have been satisfied. *Spencer v. City of Los Angeles*, 180 Cal. 103, 179 Pac. 163 (1919); *Southern Pac. Co. v. City of Santa Cruz*, 26 Cal. App. 26, 145 Pac. 736 (1914). See also *Hochfelder v. County of Los Angeles*, 126 Cal. App.2d 370, 272 P.2d 844 (1954); *Walton v. County of Kern*, 39 Cal. App.2d 32, 102 P.2d 531 (1940).

935.2. A local public entity may establish a claims board of not less than three members to perform such functions of the governing body of the public entity under this part as are prescribed by the local public entity. The local public entity may provide that, upon written order of the claims board, the auditor or other fiscal officer of the local public entity shall cause a warrant to be drawn upon the treasury of the local public entity in the amount for which a claim has been allowed or compromised or settled.

Comment: Sections 935.2 and 935.4 are new. They authorize a local public entity to delegate to a claims board or to an employee such functions relating to claims as the local public entity designates. However, an employee may not be delegated authority to settle finally a claim where the amount to be paid exceeds \$5,000. These sections will permit the public entity, for example, to delegate such functions as ruling on the sufficiency of claims or automatically rejecting certain classes of claims.

935.4. A local public entity may authorize an employee of the local public entity to perform such functions of the governing body of the public entity under this part as are prescribed by the local public entity, but may not authorize such employee to allow, compromise or settle a claim against the local public entity if the amount to be paid pursuant to such allowance, compromise or settlement exceeds five thousand dollars (\$5,000). Upon the written order of such employee,

the auditor or other fiscal officer of the local public entity shall cause a warrant to be issued upon the treasury of the local public entity in the amount for which a claim has been allowed, compromised or settled.

Comment: See the comment to Section 935.2.

935.6. The State Board of Control, by rule, may authorize any state agency to adjust and pay claims where the settlement does not exceed one thousand dollars (\$1,000) or such lesser amount as the board may determine and a sufficient appropriation for such payment exists. Payments shall be made only upon approval of the settlement by the board. As used in this section, "state agency" means any office, officer, department, division, bureau, board, commission or agency of the State claims against which are paid by warrants drawn by the Controller.

Comment: This section is new. It permits the Board of Control to delegate the authority to settle certain small claims to the state agencies immediately concerned.

SEC. 2. Part 4 (commencing with Section 940) is added to Division 3.6 of Title 1 of the Government Code as enacted by Senate Bill No. -- of the 1963 Regular Session, to read:

PART 4. ACTIONS AGAINST PUBLIC ENTITIES AND PUBLIC EMPLOYEES

CHAPTER 1. GENERAL

Article 1. Definitions

940. Unless the provision or context otherwise requires, the definitions contained in this article govern the construction of this part.

Comment: This section is based on similar provisions found in the definitions or general provisions portions of various codes. See, for example, Section 5 of the Government Code. The definitions contained in Part 1 of Division 3.6 will, of course, apply to this part. Those definitions are set forth in the comment to Section 900.

940.2. "Board" means:

- (a) In the case of a local public entity, the governing body of the local public entity.
- (b) In the case of the State, the State Board of Control.

Comment: "Board" has been defined to facilitate the drafting of provisions that apply both to the State and to local public entities.

940.4. "Local public entity" includes a county, city, district, public authority, public agency, and any other political

subdivision or public corporation in the State, but does not include the State.

Comment: The definitions of "State" and "local public entity" are based on the definition of "local public entity" contained in Government Code Section 700.

940.6. "State" means the State and any office, officer, department, division, bureau, board, commission or agency of the State claims against which are paid by warrants drawn by the Controller.

Comment: See the comment to Section 940.4.

Article 2. Construction

942. Nothing in this division shall be construed to deprive a claimant of the right to resort to writ of mandate or other proceeding against the public entity or the board or any employee of the public entity to compel it or him to pay the claim when and to the extent that it has been allowed.

Comment: This section is the same in substance as the second paragraph of Government Code Section 718, which applies to claims against local public entities. In some circumstances, a claimant might be able to compel payment of a claim allowed by the State Board of Control. See Government Code Section 623—renumbered Section 965 by this legislation. See also Government Code Sections 653 and 654, the provisions of which are contained in new Section 965.2.

943. This part does not apply to claims or actions against the Regents of the University of California.

Comment: This part, like the previous part, does not apply to the University of California. See new Section 905.6 and the comment thereto.

944. Nothing in this part imposes liability upon a public entity unless such liability otherwise exists.

Comment: This section makes clear that this part is procedural only; some other statute must be found to impose liability.

CHAPTER 2. ACTIONS AGAINST PUBLIC ENTITIES

945. A public entity may sue and be sued.

Comment: Section 945 is new. This section will eliminate any doubt that might otherwise exist as to whether a tort action might be defeated on the technical ground that a particular local public entity is not subject to suit. The section does not, however, impose substantive liability; some other statute must be found that imposes such liability. See new Section 944.

945.2. Except as otherwise provided by law, the rules of practice in civil actions apply to actions brought against public entities.

Comment: This section is based on Government Code Section 642, which applies to actions against the State based on express contract, negligence or inverse condemnation.

945.4. No suit for money or damages may be brought against a public entity on a cause of action for which a claim is required to be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division until a written claim therefor has been presented to the public entity and has been acted upon by the board, or has been deemed to have been rejected by the board, in accordance with Chapters 1 and 2 of Part 3 of this division.

Comment: This section prevents a claimant from bringing an action against a public entity until his claim has been acted upon or is deemed to have been rejected. The section is designed to provide the public entity with a short period of time (45 days) to consider the claim. See new Section 912.4.

Under Government Code Section 641, an action may not be brought against the State until the claim is rejected or disallowed, and no time is prescribed within which the State Board of Control must act on the claim. On the other hand, under Government Code Section 710, an action may be brought against a local public entity as soon as the claim is presented.

Section 945.4 applies only to claims that are required to be presented in accordance with Chapters 1 and 2 of Part 3. See new Sections 905 to 905.6.

945.6. Any suit brought against a public entity on a cause of action for which a claim is required to be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division must be commenced within six months after the date the claim is acted upon by the board, or is deemed to have been rejected by the board, in accordance with Chapters 1 and 2 of Part 3 of this division.

Comment: This section requires that an action must be commenced within six months after the claim is acted upon or is deemed to be rejected. The normal statute of limitations will not apply. The section applies only to claims that are required to be presented in accordance with Chapters 1 and 2 of Part 3. See new Sections 905 to 905.6.

This section is based upon Government Code Sections 643 and 644, which apply to claims against the State. Government Code Section 719, which applies to actions on claims against local public entities, requires that an action be commenced within the period of time prescribed by

the applicable statute of limitations. The recommended legislation prevents the commencing of an action until the claim is acted upon or is deemed to be rejected. This is designed to provide the public entity with an opportunity to consider the claim and makes it desirable to provide for a special statute of limitations that commences to run when the entity has acted on the claim.

945.8. Except where a different statute of limitations is specifically applicable to the public entity, any action against a public entity upon a cause of action for which a claim is not required to be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division must be commenced within the time prescribed by the statute of limitations that would be applicable if the action were brought against a defendant other than a public entity.

Comment: This section is based on Government Code Section 719, which applies to claims against local public entities.

946. Where a claim that is required to be presented to a public entity in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division is so presented and action thereon is taken by the board:

(a) If the claim is allowed in full and the claimant accepts the amount allowed, no suit may be maintained on any part of the cause of action to which the claim relates.

(b) If the claim is allowed in part and the claimant accepts the amount allowed, no suit may be maintained on that part of the cause of action which is represented by the allowed portion of the claim.

(c) If the claim is allowed in part, no suit may be maintained on any portion of the cause of action where, pursuant to a requirement of the board to such effect, the claimant has accepted the amount allowed in settlement of the entire claim.

Comment: This section is the same in substance as the first paragraph of Government Code Section 718, which applies to claims against local public entities. Government Code Section 645, which applies to claims against the State, contains somewhat comparable provisions.

947. (a) At any time after the filing of the complaint in any action against a public entity, the public entity may file and serve a demand for a written undertaking on the part of each plaintiff as security for the allowable costs which may be awarded against such plaintiff. The undertaking shall be in the amount of one hundred dollars (\$100), or such greater sum as the court shall fix upon good cause shown, with at least two sufficient sureties, to be approved by the court. Unless the plaintiff files such undertaking within 20 days after service of a demand therefor, his action shall be dismissed.

(b) If judgment is rendered for the public entity in any action against it, allowable costs incurred by the public entity in the action, but in no event less than fifty dollars (\$50), shall be awarded against each plaintiff.

(c) This section does not apply to an action commenced in a small claims court.

Comment: This section is new. A provision somewhat comparable to subdivision (a), applying only to certain actions against the State, is contained in Government Code Section 647. Under Section 647, actions arising out of the operation of motor vehicles by public employees are excluded, the minimum undertaking is \$250, and the unsuccessful plaintiff is required to pay a reasonable counsel fee to the State. No similar provision is found in existing statutes relating to actions against local public entities.

948. The head of the state agency concerned, upon recommendation of the Attorney General or other attorney authorized to represent the State, may settle, adjust or compromise any pending action where a sufficient appropriation for the payment of claims exists. Where no funds or insufficient funds for such payment exist, the head of the state agency concerned, upon recommendation of the Attorney General or other attorney authorized to represent the State, may settle, adjust or compromise any pending action with the approval of the Department of Finance. As used in this section, "state agency" means any office, officer, department, division, bureau, board, commission or agency of the State claims against which are paid by warrants drawn by the Controller.

Comment: This section specifies the conditions under which a pending action against the State may be settled or compromised. There is no comparable provision in the existing statutes.

949. The governing body of a local public entity may compromise, or may delegate the authority to its attorney or an employee to compromise, any pending action.

Comment: This section is based on Government Code Section 720. Section 720, however, confers the authority to compromise only by implication and does not expressly authorize such authority to be delegated. Section 949 should be compared with new Section 935.4. Under these two sections, claims settlement authority can be delegated only within prescribed limits until suit is filed. Thereafter, there is no limit on the authority to delegate claims settlement authority.

CHAPTER 3. ACTIONS AGAINST PUBLIC EMPLOYEES

950. Except as otherwise provided in this chapter, a claim need not be presented as a prerequisite to the maintenance of an action against a public employee or former public employee

for injury resulting from an act or omission in the scope of his employment as a public employee.

Comment: Sections 950 to 950.8 cover *all* employees (officers, agents and employees) and both negligent and intentional torts.

The provisions of these sections make it unnecessary to present a claim against a public employee. The proposed sections will, however, bar an action against an employee if the action against the employing public entity is barred.

Sections 950 to 950.8 are based on Section 803 of the Government Code. In 1951, the Legislature enacted Section 2003 (now Section 803) of the Government Code in an attempt to accomplish the result achieved under Sections 950 to 950.8. The attempt was not completely successful, however, for Section 803 does not apply to State personnel, nor to officers (as distinguished from "employees") of other entities. Moreover, since Section 803 applies only to actions based on "negligence," it appears that a plaintiff at times would be able to evade the public policy expressed in Section 803 by framing his complaint on a theory other than negligence. Somewhat overlapping provisions of the Government Code (Sections 801 and 802) require that a claim be presented to the employee as a condition to bringing an action against him.

950.2. Except as provided in Section 950.4, a cause of action against a public employee or former public employee for injury resulting from an act or omission in the scope of his employment as a public employee is barred if an action against the employing public entity for such injury is barred under Section 946 or is barred because of the failure (a) to present a written claim to the public entity or (b) to commence the action within the time specified in Section 945.6.

Comment: See the comment to Section 950.

950.4. A cause of action against a public employee or former public employee is not barred by Section 950.2 if the plaintiff pleads and proves that:

(a) He did not know or have reason to know, within the period prescribed for the presentation of a claim to the employing public entity as a condition to maintaining an action for such injury against the employing public entity, that the injury was caused by an act or omission of the public entity or an employee thereof; and

(b) He gave notice to the public entity within a reasonable time after he acquired such knowledge.

Comment: This section makes it unnecessary to present a claim where the plaintiff does not know the injury was caused by the public entity or a public employee. There is no similar provision in existing law.

950.6. When a written claim for money or damages for injury has been presented to the employing public entity:

(a) A cause of action for such injury may not be maintained against the public employee or former public employee whose act or omission caused such injury until the claim has been rejected, or has been deemed to have been rejected, in whole or in part by the public entity.

(b) A suit against the public employee or former public employee for such injury must be commenced within six months after the date the claim is acted upon by the board, or is deemed to have been rejected by the board, in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division.

Comment: See the comments to Sections 945.6 and 950. See new Sections 945.4 and 945.6 for similar provisions applicable to actions against public entities.

950.8. Any provision of a charter, ordinance or regulation heretofore or hereafter adopted by a local public entity which requires the presentation of a claim as a prerequisite to the maintenance of an action against a public employee to enforce his personal liability is invalid.

Comment: This section is new. It makes clear that local provisions cannot replace the provisions of Sections 950 to 950.6.

951. (a) At any time after the filing of the complaint in any action against a public employee or former public employee, if a public entity undertakes to provide for the defense of the action, the attorney for the public employee may file and serve a demand for a written undertaking on the part of each plaintiff as security for the allowable costs which may be awarded against such plaintiff. The undertaking shall be in the amount of one hundred dollars (\$100), or such greater sum as the court shall fix upon good cause shown, with at least two sufficient sureties, to be approved by the court. Unless the plaintiff files such undertaking within 20 days after service of the demand therefor, his action shall be dismissed.

(b) If judgment is rendered for the public employee or former public employee in any action where a public entity is not a party to the action but undertakes to provide for the defense of the action, allowable costs incurred in defending the action, but in no event less than fifty dollars (\$50), shall be awarded against each plaintiff.

(c) This section does not apply to an action commenced in a small claims court.

Comment: This section is new. See new Section 947 for similar provisions applicable to actions against public entities.

CHAPTER 4. SPECIAL PROVISIONS RELATING TO ACTIONS
AGAINST THE STATE

955. The proper court for trial of actions against the State for the taking or damaging of private property for public use is a court of competent jurisdiction in the county in which the property is situate.

Except as provided in Section 955.2, upon written demand of the Attorney General made on or before answering, the place of trial in other actions shall be changed to Sacramento County.

Comment: This section is the same in substance as Government Code Section 651, except that Section 651 is not qualified by a provision similar to new Section 955.2.

955.2. Notwithstanding any other provision of law, where the State is named as a defendant in any action or proceeding for death or injury to person or personal property and the injury or the injury causing death occurred within this State, the proper court for the trial of the action is a court of competent jurisdiction in the county where the injury occurred or where the injury causing death occurred. The court may, on motion, change the place of the trial in the same manner and under the same circumstances as the place of trial may be changed where an action is between private parties.

Comment: This section is new. It requires that certain tort actions against the State be tried in the county where the injury occurred. Under Government Code Section 651 and Code of Civil Procedure Section 401, these tort actions against the State may now be tried in any city or county in which the Attorney General has an office.

955.4. Except as provided in Sections 955.6 and 955.8:

(a) Service of summons in all actions on claims against the State shall be made on the Attorney General.

(b) The Attorney General shall defend all actions on claims against the State.

Comment: This section is the same in substance as Government Code Section 649, except that Section 649 requires service on both the Governor and the Attorney General.

955.6. In actions for the taking or damaging of private property for public use within the meaning of Section 14 of Article I of the Constitution on claims arising out of work done by the Department of Public Works:

(a) Service of summons shall be made on the Attorney General or the Director of Public Works.

(b) The defense shall be conducted by the attorney for the Department of Public Works.

Comment: This section is the same as Government Code Section 648, except that Section 648 permits service only on the Director of Public Works.

955.8. In actions for the taking or damaging of private property for public use within the meaning of Section 14 of Article I of the Constitution on claims arising out of work done by the Department of Water Resources:

(a) Service of summons shall be made on the Attorney General or the Director of Water Resources.

(b) The defense shall be conducted by the legal counsel of the department, if authorized by the Attorney General pursuant to Section 127 of the Water Code; otherwise the defense shall be conducted by the Attorney General.

Comment: This section is the same in substance as Government Code Section 650, except that Section 650 requires service on both the Attorney General and the Director of Water Resources.

SEC. 3. Part 5 (commencing with Section 965) is added to Division 3.6 of Title 1 of the Government Code as enacted by Senate Bill No. __ of the 1963 Regular Session, to read:

PART 5. PAYMENT OF CLAIMS AND JUDGMENTS

CHAPTER 1. PAYMENT OF CLAIMS AND JUDGMENTS AGAINST THE STATE

965. Upon the allowance by the State Board of Control of all or part of a claim for which a sufficient appropriation exists, and the execution and presentation of such documents as the board may require which discharge the State of all liability under the claim, the board shall designate the fund from which the claim is to be paid and the state agency concerned shall pay the claim from such fund. Where no sufficient appropriation for such payment is available, the board shall report to the Legislature in accordance with Section 912.8.

Comment: This section is based on Government Code Section 623 which applies to the State. Government Code Section 623 is limited to payment of claims arising under Section 17000 to 17003, inclusive, of the Vehicle Code.

965.2. The Controller shall draw his warrant for the payment of any final judgment or settlement against the State whenever a sufficient appropriation for such payment exists. Claims upon such judgments and settlements are exempt from Section 925.6.

Comment: This section is based on Government Code Sections 653 and 654. The existing statutes, however, apply only to judgments and do not include settlements.

965.4. The Governor shall report to the Legislature, at each session, all judgments or settlements against the State not theretofore reported.

Comment: This section is based on Government Code Section 655. Section 655 does not, however, require that judgments based on injuries arising out of operation of motor vehicles by state employees be reported nor does the section require that settlements be reported.

CHAPTER 2. PAYMENT OF TORT JUDGMENTS AGAINST LOCAL PUBLIC ENTITIES

Article 1. General

970. As used in this article:

(a) "Fiscal year" means a year beginning on July 1 and ending on June 30 unless the local public entity has adopted a different fiscal year as authorized by law, in which case "fiscal year" means the fiscal year adopted by such local public entity.

(b) "Local public entity" includes a county, city, district, public authority, public agency, and any other political subdivision or public corporation in the State, but does not include the Regents of the University of California and does not include the State or any office, officer, department, division, bureau, board, commission or agency of the State claims against which are paid by warrants drawn by the Controller.

(c) "Tort judgment" means a final judgment which is founded upon death or injury to person or property proximately caused by a negligent or wrongful act or omission and for which a local public entity is liable.

Comment: This section defines terms used in this article.

970.2. A local public entity shall pay any tort judgment in the manner provided in this article. A writ of mandate is an appropriate remedy to compel a local public entity to perform any act required by this article.

Comment: This section imposes a duty upon local public entities to pay tort judgments in the manner provided in this article and gives the judgment creditor the right to obtain a writ of mandate to enforce this duty. Depending upon the financial condition of the public entity, it can comply with the duty to pay a tort judgment by: (1) paying the judgment in the fiscal year in which it becomes final; (2) paying the judgment in the next fiscal year; (3) paying the judgment in not more than 10 annual instalments; or (4) paying the judgment with the proceeds of a bond issue as authorized by Article 2 (commencing with Section 975) of this chapter.

970.4. The governing body of a local public entity shall pay, to the extent funds are available in the fiscal year in

which it becomes final, any tort judgment out of any funds to the credit of the local public entity that are:

(a) Unappropriated for any other purpose unless the use of such funds is restricted by law or contract to other purposes; or

(b) Appropriated for the current fiscal year for the payment of tort judgments and not previously encumbered.

Comment: Sections 970.4 and 970.6 provide the procedure by which local public entities must pay tort judgments. The judgment must be paid to the extent funds are available in the fiscal year in which it becomes final. If the judgment cannot be paid in full in such fiscal year, the public entity must pay the balance of the judgment in the ensuing fiscal year unless this would result in undue hardship to the entity. In case of undue hardship, the public entity is authorized to spread the payment of the balance of the judgment over a period not to exceed 10 years. The procedure provided by Sections 970.4 and 970.6 is based on Government Code Sections 50170-50175 (cities and counties), Water Code Sections 31091-31096 (county water districts) and Education Code Section 904 (school districts).

970.6. (a) If a local public entity does not pay a tort judgment during the fiscal year in which it becomes final and if, in the opinion of the governing body, the unpaid amount of the tort judgment is not too great to be paid out of revenues for the ensuing fiscal year, the governing body shall pay the judgment during the ensuing fiscal year immediately upon the obtaining of sufficient funds for that purpose.

(b) If a local public entity does not pay a tort judgment during the fiscal year in which it becomes final and if, in the opinion of the governing body, the unpaid amount of the tort judgment is so great that undue hardship will arise if the entire amount is paid out of the revenues for the ensuing fiscal year, the governing body shall pay the judgment, with interest thereon, in not exceeding 10 annual installments. Each payment shall be of an equal portion of the principal of the tort judgment. The local public entity, in its discretion, may prepay any one or more installments or any part of an installment.

(c) The authority to pay a tort judgment in installments as provided in this section is in addition to and not in lieu of any other law permitting local public entities to pay tort judgments in installments.

Comment: See the comment to Section 970.4.

970.8. (a) Each local public entity that derives revenue for its maintenance and operation from taxes or assessments or from rates and charges made for services or facilities provided by the local public entity shall in each fiscal year levy taxes or assessments or make rates and charges or both, or otherwise provide funds, in an amount sufficient to pay all tort judgments in accordance with this article.

(b) If all or any portion of the revenue used for the maintenance and operation of a local public entity (other than an entity created by an agreement described in Section 895) liable for a tort judgment is derived from appropriations of another local public entity, such other local public entity shall in each fiscal year appropriate funds equal to its pro rata share of an amount sufficient to permit the local public entity liable for the tort judgment to pay the judgment in accordance with this article. Such amount shall be paid to the local public entity liable for the tort judgment and shall be used by such entity to satisfy the tort judgment. The pro rata share of such other local public entity for each tort judgment is an amount bearing the same proportion to the total amount of the tort judgment as the revenue derived from such other local public entity for maintenance and operation during the fiscal year in which the cause of action on such judgment accrued bears to the total revenues used for maintenance and operation during such fiscal year of the local public entity liable for the tort judgment. For this purpose, such other local public entity shall levy taxes or assessments, make rates and charges, or otherwise provide funds, sufficient in amount to raise the amount of the appropriation and payment required by this section.

Comment: Subdivision (a) of this section is necessary to ensure that local public entities will take appropriate action to raise funds to pay tort judgments. Subdivision (b) is needed to ensure payment of a tort judgment against a local public entity, other than an entity created by an agreement described in Section 895, that is financially dependent upon some other public entity. Where an entity is created by an agreement described in Section 895, sufficient financial ability to pay is provided by imposing liability directly upon the parties to the agreement. See Sections 895.2, 895.4 and 895.6. Sections 895 to 895.6 are contained in the Commission's recommended legislation relating to the tort liability of public entities and public employees. See *Recommendation Relating to Sovereign Immunity: Number 1—Tort Liability of Public Entities and Public Employees*, 4 CAL. LAW REVISION COMM'N, REP., REC. & STUDIES 801, 866-68 (1963).

971. Any limitation on the amount of taxes, assessments or rates and charges that may be levied or collected by a local public entity, and any limitation on the amount of appropriations and payments that may be made by a local public entity, and any limitation on the amount of liability or indebtedness that may be incurred by a local public entity, contained in any other statute or in any charter or ordinance, is inapplicable to the taxes, assessments, rates and charges or appropriations levied, collected or made pursuant to this article.

Comment: This section makes clear that the statutory restrictions upon incurring debts or liabilities and the statutory limitations upon the maximum permissible rate of property taxation by local public entities do not apply to tort judgments. The section is necessary to

ensure that these restrictions and limitations do not operate to confer for practical purposes an immunity from tort liability.

971.2. (a) All tort judgments for which a local public entity is liable are legal investments for all trust funds, and for the funds of all insurance companies, banks (both commercial and savings) and trust companies, and for every other local public entity within this State, to the same extent as bonds of the local public entity liable for the tort judgment.

(b) Whenever any money or funds may by law be invested in or loaned upon the security of bonds of a local public entity, such money or funds may be invested in or loaned upon the security of a tort judgment for which such local public entity is liable; and whenever bonds of a local public entity may be used as security for the faithful performance or execution of any court or private trust or of any other act, a tort judgment for which such local public entity is liable may be so used.

(c) All tort judgments for which a local public entity is liable, to the same extent as bonds of such local public entity, are legal for use by any state or national bank or banks in the State as security for the deposit of funds of any local public entity within this State.

Comment: This section makes a tort judgment against a local public entity an authorized legal investment for trust funds, banks and insurance companies, to the same extent as the bonds of such local public entity. It also provides that a tort judgment against a local public entity may be used as security in certain circumstances to the same extent as bonds of such entity. The section is necessary to provide assurance that tort judgments against local public entities will be marketable.

Article 2. Funding Judgments With Bonds

Comment: This article authorizes all local public entities that levy taxes or assessments—and thus have the power to raise the revenues to discharge a bonded indebtedness—to issue bonds to obtain funds to pay judgments. This authority will permit these public entities to fund their tort liabilities with bonds so that they may meet such obligations without seriously impairing their financial resources. Not all of these public entities have such authority under existing law. Inasmuch as the exercise of this power may result in the imposition of taxes to discharge the bonded indebtedness, the power may be exercised only when two-thirds of the voters, voting at an election called for that purpose, authorize the public entity to issue the bonds.

This article is based for the most part on the bond authorization provisions of the Community Services District Law—Government Code Sections 61650 to 61673.

975. As used in this article:

(a) "Board" means the governing body of a local taxing entity.

(b) "Local taxing entity" means a local public entity that has the power to levy ad valorem taxes, or ad valorem assessments, upon property within the territory of the entity.

Comment: This section defines certain terms used in this article. The definition of "local taxing entity" is based in part on Government Code Section 5401, which defines "bonds" as "bonds or other evidences of indebtedness the principal and interest of which are payable or may be paid from ad valorem taxes or assessments levied by or on behalf of a public body."

975.2. Whenever the board deems it necessary for the local taxing entity to incur a bonded indebtedness to fund all or any portion of an outstanding judgment against the entity, it shall by resolution state:

(a) The necessity for the indebtedness.

(b) The purpose for which the proposed debt is to be incurred.

(c) The amount of the proposed debt.

(d) The time and place for a hearing by the board on the question whether the local taxing entity should incur a bonded indebtedness to fund all or any portion of an outstanding judgment against the entity.

Comment: This section is based primarily on Government Code Section 61650.

975.4. Notice of the hearing shall be given by publication of a copy of the resolution pursuant to Section 6066 in a newspaper of general circulation circulated within the local taxing entity. If there is no such newspaper, the resolution shall be posted in three public places in the local taxing entity for two succeeding weeks. No other notice of the hearing need be given.

Comment: This section is based in part on Government Code Section 43611 and in part on Government Code Section 61651.

975.6. The copy of the resolution published or posted shall be accompanied by a notice subscribed by the clerk or secretary of the local taxing entity that:

(a) The hearing referred to in the resolution will be had at the time and place specified in the resolution.

(b) At that time and place, any person interested, including persons owning property within the local taxing entity, will be heard upon the question stated in the resolution.

Comment: This section is based on Government Code Section 61652.

975.8. At the time and place fixed for the hearing on the resolution or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. Any person interested, including persons owning property within the local taxing entity, may appear and present any matters material to the question set forth in the resolution. Thereafter, the

board shall determine whether it is necessary to incur the bonded indebtedness. The board's determination on the question of necessity is conclusive.

Comment: This section is based on Government Code Sections 61653 to 61658.

976. After the board has made its determination pursuant to Section 975.8, if it deems it necessary to incur the bonded indebtedness, it shall by resolution state:

(a) That it deems it necessary to incur the bonded indebtedness.

(b) The purpose for which the bonded indebtedness will be incurred.

(c) The amount of the debt to be incurred, which amount may include legal and other fees and costs incidental to or connected with the authorization, issuance and sale of the bonds, including but not limited to the costs of printing the bonds.

(d) The maximum term the bonds to be issued shall run before maturity, which term shall not exceed 40 years.

(e) The annual rate of interest to be paid, which rate shall not exceed 7 percent, payable annually or semiannually, or in part annually and in part semiannually.

(f) The proposition to be submitted to the voters.

(g) The date of the special election of the local taxing entity (which may be consolidated with any other election of the local taxing entity) at which such proposition shall be submitted to the voters; the manner of holding the election and the procedure for voting for or against the proposition.

Comment: This section is based on Government Code Sections 29901, 43610.1, 43653, 61659 and 61659.1.

976.2. The resolution made pursuant to Section 976 shall constitute the notice of such election and such resolution shall be published pursuant to Section 6066 in a newspaper of general circulation circulated within the local taxing entity. If there is no such newspaper, the resolution shall be posted in three public places in the local taxing entity for two succeeding weeks. No other notice of the election need be given.

Comment: This section is based on Government Code Sections 29906, 43611 and 61660.

976.4. The board shall provide for holding the election in the same manner as provided by law in respect to general elections of the local taxing entity so far as applicable, except as otherwise provided in this article.

Comment: This section is based on Government Code Section 61661.

976.6. Every elector authorized to vote in general elections of the local taxing entity may vote on the proposition to authorize the bonds.

Comment: This section is based in part on Government Code Section 61663.

976.8. If two-thirds or more of the votes cast upon the proposition at the election are in favor of incurring the bonded indebtedness, the board may issue the bonds at the time or times it deems proper.

Comment: This section is based on Government Code Sections 43614 and 29908.

977. The board shall prescribe the form of the bonds. The bonds may be issued in denominations not to exceed one thousand dollars (\$1,000) and not less than one hundred dollars (\$100). The board shall fix, and designate in the bonds, a time and place for payment of the bonds.

Comment: This section is based on Government Code Sections 43617, 43619, 43622 and 29914.

977.2. The board may provide for the redemption of bonds issued under this article before maturity at prices determined by it. A bond shall not be subject to call or redemption prior to maturity unless it contains a recital to that effect. Notice of redemption shall be published at such time and in such manner as the board may provide in the resolution providing for the issuance of the bonds.

Comment: This section is based on Government Code Sections 43621 and 29912.

977.4. The bonds shall be signed by the presiding officer of the board and countersigned by the clerk or secretary of the local taxing entity, and the coupons shall be signed by the clerk or secretary. All signatures except that of the clerk or secretary on the bonds may be printed, lithographed or engraved. If any officer whose signature appears on the bonds or coupons ceases to be such officer before the delivery of the bonds, his signature is as effective as if he had remained in office.

Comment: This section is based on Government Code Section 61671.1.

977.6. The local taxing entity may sell the bonds at the times or in the manner the board deems to be to the public interest. The bonds shall be sold on sealed proposals to the highest bidder after advertising for bids by publication of

notice of sale pursuant to Section 6061, not less than 10 days prior to the date of sale, in a newspaper of general circulation circulating in the local taxing entity. If there is no such newspaper, the notice of sale shall be posted in three places in the local public entity for two succeeding weeks ending not less than 10 days prior to the date of sale. If satisfactory bids are received, the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board may reject all bids received, if any, and either readvertise or sell the bonds at private sale.

Comment: This section is based on Government Code Section 61672.

977.8. An action to determine the validity of bonds may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

Comment: This section is based on Government Code Sections 61671.2 and 43620.1.

978. Any bonds issued by any local taxing entity under the provisions of this article have the same force, value and use as bonds issued by any municipality and are exempt from all taxation within the State.

Such bonds are legal investments for all trust funds, for the funds of all insurance companies, banks (both commercial and savings) and trust companies, for the state school funds, and for any funds which may be invested in bonds of cities, counties, school districts, or municipalities in the State.

Comment: This section is based on the first two paragraphs of Government Code Section 61673.

978.2. Bonds issued under this article constitute general obligations of the local taxing entity for the payment of both principal and interest of which all property in the local taxing entity subject to ad valorem taxation by the local taxing entity or subject to ad valorem assessment by the local taxing entity shall be taxed or assessed without limitation of rate or amount.

The board shall, at the time and in the manner provided by law for levying taxes or assessments, fix an ad valorem rate of tax or assessment sufficient to pay the principal of and interest on all bonds issued under this article as they become due. Such ad valorem taxes or assessments shall be in addition to all other taxes or assessments levied by the local taxing entity, and when collected shall be used for no purpose other than the payment of such bonds and the interest thereon.

Nothing in this section shall be construed to prohibit the use of other revenues of the local taxing entity for the payment of principal and interest on bonds issued under this article.

Comment: This section is based on Government Code Section 61748.

978.4. The proceeds from the sale of bonds issued pursuant to this article shall not be used for any purpose other than the purpose stated in the resolution authorizing the issuance of the bonds.

Comment: This section is based on Government Code Section 43628.

978.6. The board may by resolution adopted by two-thirds vote of all its members declare that no part of a described bond issue authorized under this article which remains unsold shall be issued or sold. When the resolution takes effect, the bonds described in the resolution which remain unsold are voided.

Comment: This section is based on Government Code Section 43630.

978.8. The authority provided in this article is in addition and supplementary to any other law authorizing public entities to issue bonds to fund an outstanding indebtedness.

Comment: This section is included merely to make clear that this article is not intended to supersede any other law that permits a public entity to fund judgments against it with bonds.

SEC. 4. Section 342 is added to the Code of Civil Procedure, to read:

342. An action against a public entity upon a cause of action for which a claim is required to be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code must be commenced within the time provided in Section 945.6 of the Government Code.

Comment: This section is placed among the limitation of actions provisions of the Code of Civil Procedure so that the statute of limitations applicable to actions upon claims against public entities may be discovered by looking at either this section or the appropriate section of the Government Code.

SEC. 5. Section 904 of the Education Code is amended to read:

904. The governing board of any school district shall pay any judgment for debts, liabilities, or damages out of the school funds to the credit of the district, subject to the limitation on the use of the funds provided in the Constitution.

If any judgment is not paid during the tax year in which it was recovered:

(a) And if, in the opinion of the board, the amount is not too great to be paid out of taxes for the ensuing tax year, the board shall include in its budget for the ensuing tax year a provision to pay the judgment, and shall pay it immediately upon the obtaining of sufficient funds for that purpose.

(b) If, in the opinion of the board, the amount of the judgment is so great that undue hardship will arise if the entire amount is paid out of taxes for the next ensuing tax year, the board shall provide for the payment of the judgment in not exceeding ~~three~~ 10 annual installments with interest thereon; ~~at a rate not exceeding 4 percent per annum;~~ up to the date of each payment, and shall include provision for the payment in each budget for not exceeding ~~three~~ 10 consecutive tax years next ensuing. Each payment shall be of an equal portion of the principal of the judgment, *except that the board, in its discretion, may provide for the prepayment of any one or more installments or any part of an installment.*

Comment: The amendments to this section make it consistent with new Section 970.6. The four percent limit in Section 904 is probably unconstitutional. See *Welch v. Dunsmuir Joint Union H.S. Dist.*, 326 P.2d 633 (Cal. App. 1958) (holding the 4 percent interest rate unconstitutional in light of Section 22 of Article 20 of the State Constitution, which sets the minimum interest rate on judgments at 7 percent), vacated without opinion upon hearing granted by the California Supreme Court.

SEC. 6. Division 3.5 (commencing with Section 600) of Title 1 of the Government Code is repealed.

Comment: See Appendix, page 1093 *infra*, for a Disposition Table showing where the subject matter of the repealed sections of Division 3.5 is covered in the recommended legislation or the reason why the subject matter of those sections is not included in the recommended legislation.

SEC. 7. Section 13920.1 of the Government Code is repealed.

~~13920.1. In adopting such rules and regulations, the board may in lieu of requiring an affidavit on any claim or form require a certification under penalty of perjury in such form as it may prescribe, and any individual who wilfully makes and subscribes such certificate to a claim or form which he knows to be false as to any material matter shall be guilty of a felony and upon conviction thereof shall be subject to the penalties prescribed for perjury by the Penal Code of this State.~~

Comment: The elimination of the requirement that claims against the State be verified permits the repeal of this section. Section 72 of

the Penal Code makes the presentation of a false or fraudulent claim to a public entity with intent to defraud a felony.

SEC. 8. Section 439.56 of the Agricultural Code is amended to read:

439.56. Each such claim is governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except that the claim as presented shall be accompanied by the affidavits of two disinterested witnesses executed within four days after the finding of the carcasses of each animal. The affidavits shall fix the value of the livestock and establish the fact beyond reasonable doubt that the animal was killed by a dog or dogs. When allowed, such claims shall be paid from the fund provided for in this chapter in the same manner as other claims against the county are paid. The word "livestock" as used in this article includes domestic fowls and rabbits.

Comment: There are a large number of sections in various codes and uncodified acts that refer specifically to the superseded claims statute. Sections 8 through 151 of the act recommended by the Commission make necessary adjustments in these sections.

SEC. 9. Section 313 of the Code of Civil Procedure is amended to read:

313. The general procedure for the presentation of claims as a prerequisite to commencement of actions for money or damages against the State of California, counties, cities, cities and counties, districts, local authorities, and other political subdivisions of the State, and against the officers and employees thereof, is prescribed by ~~Division 3.5 (commencing with Section 600)~~ 3.6 (commencing with Section 810) of Title 1 of the Government Code.

SEC. 10. Section 926 of the Education Code is amended to read:

926. All claims for money or damages against a school district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 11. Section 16978 of the Education Code is amended to read:

16978. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 12. Section 27591 of the Education Code is amended to read:

27591. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 13. Section 27891 of the Education Code is amended to read:

27891. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 14. Section 28381 of the Education Code is amended to read:

28381. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 15. Section 29700 of the Government Code is amended to read:

29700. Except as otherwise provided herein, this chapter applies to all claims for money or damages against counties including claims which are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of this code.

SEC. 16. Section 29706 of the Government Code is amended to read:

29706. Failure of a claimant to use a form prescribed by the board pursuant to Section 29705 is not a defense to a suit against the county on a claim for which ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of this code requires a claim to be presented.

SEC. 17. Section 29748 of the Government Code is amended to read:

29748. The board may prescribe, by resolution, additional procedures for the audit and disposition of claims but the procedures so prescribed may not be inconsistent with the provisions of this chapter, of ~~Chapter 2 (commencing at Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) Division 3.6~~ of Title 1 of the Government Code, or of any other statutes or

regulations expressly governing any such claims or the payment thereof.

SEC. 18. Section 37201 of the Government Code is amended to read:

37201. Demands against the city for money or damages are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of this code, except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 19. Section 39586 of the Government Code is amended to read:

39586. If the legislative body finds that property damage was caused by the negligence of a city officer or employee in connection with the abatement of a nuisance pursuant to this article, a claim for such damages may be paid from the city general fund. Claims therefor are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of this code.

SEC. 20. Section 61628 of the Government Code is amended to read:

61628. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 21. Section 5905 of the Harbors and Navigation Code is amended to read:

5905. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 22. Section 6095 of the Harbors and Navigation Code is amended to read:

6095. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 23. Section 6370 of the Harbors and Navigation Code is amended to read:

6370. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other stat-

utes or regulations expressly applicable thereto. All claims not governed thereby shall be filed with the auditor on forms and blanks prescribed by him. A claim shall not be paid without the endorsement of the auditor certifying to its correctness.

The auditor shall keep a record, which shall be a public record, of all claims against the district showing by whom made, for what purpose, the amount thereof and when paid.

SEC. 24. Section 6960 of the Harbors and Navigation Code is amended to read:

6960. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto. All claims not governed thereby shall be filed with the auditor on forms and blanks prescribed by him. A claim shall not be paid without the endorsement of the auditor certifying to its correctness.

The auditor shall keep a record, which shall be a public one, of all claims against the district showing by whom made, for what purpose, the amount thereof and when paid.

SEC. 25. Section 7172 of the Harbors and Navigation Code is amended to read:

7172. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto. Except for bonds and interest coupons which shall be paid when due, all claims shall be approved in writing by the president or a member of the board designated for such purpose, or approved by the board in open meeting.

SEC. 26. Section 954 of the Health and Safety Code is amended to read:

954. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 27. Section 2320 of the Health and Safety Code is amended to read:

2320. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 28. Section 2880 of the Health and Safety Code is amended to read:

2880. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 29. Section 4130 of the Health and Safety Code is amended to read:

4130. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 30. Section 4185.1 of the Health and Safety Code is amended to read:

4185.1. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 31. Section 4665.6 of the Health and Safety Code is amended to read:

4665.6. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 32. Section 4817 of the Health and Safety Code is amended to read:

4817. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 33. Section 5617 of the Health and Safety Code is amended to read:

5617. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of

the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 34. Section 5745 of the Health and Safety Code is amended to read:

5745. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 35. Section 6096 of the Health and Safety Code is amended to read:

6096. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 36. Section 6805 of the Health and Safety Code is amended to read:

6805. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 37. Section 9010 of the Health and Safety Code is amended to read:

9010. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 38. Section 14163.5 of the Health and Safety Code is amended to read:

14163.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~

of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 39. Section 14363 of the Health and Safety Code is amended to read:

14363. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 40. Section 14488 of the Health and Safety Code is amended to read:

14488. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 41. Section 20115 of the Health and Safety Code is amended to read:

20115. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 42. Section 24232 of the Health and Safety Code is amended to read:

24232. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 43. Section 24374 of the Health and Safety Code is amended to read:

24374. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 44. Section 24376.40 of the Health and Safety Code is amended to read:

24376.40. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 45. Section 32492 of the Health and Safety Code is amended to read:

32492. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 46. Section 33340 of the Health and Safety Code is amended to read:

33340. All claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 47. Section 34380 of the Health and Safety Code is amended to read:

34380. All claims for money or damages against the authority are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto. Claims, the risk or hazard of which are covered by insurance pursuant to the authorization of Section 34315(f) of this code and which have been filed in the form and within the time required by said Chapter 2 of Division 3.5 presented in accordance with Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, may be referred to the carrier insuring against such risk or hazard for further action, in accordance with such procedure as may be adopted by the authority.

SEC. 48. Section 945 of the Military and Veterans Code is amended to read:

945. The expenses to the county of each burial or contribution shall not exceed the sum of two hundred fifty dollars (\$250). Claims therefor are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code.

SEC. 49. Section 1209 of the Military and Veterans Code is amended to read:

1209. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 50. Section 5553.5 of the Public Resources Code is amended to read:

5553.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 51. Section 5784.19 of the Public Resources Code is amended to read:

5784.19. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto. All claims against the district shall be audited, allowed, and paid by the district board by warrants drawn on the treasurer. As an alternative, the district board may instruct the auditor of the supervising authority to audit, allow and draw his warrant on the treasurer, for all legal claims presented to him and authorized by a majority of the district board. The treasurer shall pay the warrants in the order in which they are presented.

SEC. 52. Section 9420 of the Public Resources Code is amended to read:

9420. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 53. Section 11520 of the Public Resources Code is amended to read:

11520. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 54. Section 12830 of the Public Utilities Code is amended to read:

12830. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 55. Section 16682 of the Public Utilities Code is amended to read:

16682. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 56. Section 22601 of the Public Utilities Code is amended to read:

22601. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 57. Section 25951 of the Public Utilities Code is amended to read:

25951. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 58. Section 29060 of the Public Utilities Code is amended to read:

29060. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 59. Section 8230 of the Streets and Highways Code is amended to read:

8230. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Sec. 60. Section 19190 of the Streets and Highways Code is amended to read:

19190. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 61. Section 25360 of the Streets and Highways Code is amended to read:

25360. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 62. Section 26225 of the Streets and Highways Code is amended to read:

26225. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 63. Section 27190 of the Streets and Highways Code is amended to read:

27190. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 64. Section 31867 of the Streets and Highways Code is amended to read:

31867. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 65. Section 33550 of the Streets and Highways Code is amended to read:

33550. All claims for money or damages against the authority are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 66. Section 35707 of the Streets and Highways Code is amended to read:

35707. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 67. Section 8991 of the Water Code is amended to read:

8991. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 68. Section 22727 of the Water Code is amended to read:

22727. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 69. Section 31084 of the Water Code is amended to read:

31084. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 70. Section 35752 of the Water Code is amended to read:

35752. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 71. Section 44457 of the Water Code is amended to read:

44457. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 72. Section 50145 of the Water Code is amended to read:

50145. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 73. Section 55720 of the Water Code is amended to read:

55720. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4~~

(commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 74. Section 56117 of the Water Code is amended to read:

56117. Payment from the operating fund shall be made upon claims allowed by the district board. Claims for money or damages against the district are governed by the provisions of ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims, shall be prepared and presented to the board and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 75. Section 70200 of the Water Code is amended to read:

70200. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as similar claims against the county. Upon request from the directors, the auditor shall draw his warrant on the treasurer for the payment of claims.

SEC. 76. Section 3.1 of Chapter 349 of the Statutes of 1873-74 is amended to read:

Sec. 3.1. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as similar claims against the county. The county auditor shall draw his warrant on the county treasurer for the amount of any claim allowed in whole or in part in the same manner as if ordered by the board of supervisors.

SEC. 77. Section 9.5 of Chapter 63 of the Statutes of 1880 is amended to read:

Sec. 9.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 78. Section 12.5 of Chapter 158 of the Statutes of 1885 is amended to read:

Sec. 12.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 79. Section 9 of Chapter 201 of the Statutes of 1895 is amended to read:

Sec. 9. All such charges and expenses shall be deemed as expenses of said work or improvement, and be a charge only upon the funds devoted to the particular work or improvement as provided hereafter. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 80. Section 49.5 of the Drainage Act of 1903 (Chapter 238, Statutes of 1903) is amended to read:

Sec. 49.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 81. Section 11 of Chapter 310 of the Statutes of 1905 is amended to read:

Sec. 11. All moneys collected from such district for such taxes, and all moneys received from any source for the benefit of such district shall be by the county treasurer placed in a fund, to be called the "Levee District Fund"; and all payments of any of the expenses of the work or improvements or other expenses of such district shall be made upon warrants drawn by the county auditor upon such fund, and paid by said treasurer. Claims for money or damages against the district are governed by the provisions of ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of~~

Division 3.6 of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 82. Section 46.5 of Chapter 25 of the Statutes of 1907 is amended to read:

Sec. 46.5. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of ~~Division 3.5 Part 3 (commencing with Section 900)~~ and Part 4 (~~commencing with Section 940~~) of *Division 3.6* of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 83. Section 19.1 of the Storm Water District Act of 1909 (Chapter 222, Statutes of 1909) is amended to read:

Sec. 19.1. Claims for money or damages against the district are governed by the provisions of Chapter 2 (~~commencing with Section 700~~) of ~~Division 3.5 Part 3 (commencing with Section 900)~~ and Part 4 (~~commencing with Section 940~~) of *Division 3.6* of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

For the purposes of the claims procedures required by this section, the board of supervisors of the county in which the storm water district was organized shall be deemed the governing body of the district, and payments of claims allowed in whole or in part by said board of supervisors shall be paid upon a warrant drawn by the auditor of the said county upon the order of said board in the same manner as claims upon the county treasury.

SEC. 84. Section 20 of the Municipal Water District Act of 1911 (Chapter 671, Statutes of 1911) is amended to read:

Sec. 20. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of ~~Division 3.5 Part 3 (commencing with Section 900)~~ and Part 4 (~~commencing with Section 940~~) of *Division 3.6* of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 85. Section 8.5 of Chapter 99 of the Statutes of 1913 is amended to read:

Sec. 8.5. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of ~~Division 3.5 Part 3 (commencing with Section 900)~~ and Part 4 (~~commencing with Section 940~~) of *Division 3.6* of

Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 86. Section 8.5 of Chapter 361 of the Statutes of 1915 is amended to read:

Sec. 8.5. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of Division 3.5 Part 3 (*commencing with Section 900*) and Part 4 (*commencing with Section 940*) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 87. Section 34.5 of the Water Conservation Act of 1927 (Chapter 91, Statutes of 1927) is amended to read:

Sec. 34.5. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of Division 3.5 Part 3 (*commencing with Section 900*) and Part 4 (*commencing with Section 940*) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 88. Section 6.1 of the Metropolitan Water District Act (Chapter 429, Statutes of 1927) is amended to read:

Sec. 6.1. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of Division 3.5 Part 3 (*commencing with Section 900*) and Part 4 (*commencing with Section 940*) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 89. Section 10.5 of Chapter 641 of the Statutes of 1931 is amended to read:

Sec. 10.5. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of Division 3.5 Part 3 (*commencing with Section 900*) and Part 4 (*commencing with Section 940*) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 90. Section 21.1 of the Water Conservation Act of 1931 (Chapter 1020, Statutes of 1931) is amended to read:

Sec. 21.1. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of Division 3.5 Part 3 (*commencing with Section 900*) and Part 4 (*commencing with Section 940*) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 91. Section 135.5 of the California Water Storage and Conservation District Act (Chapter 1253, Statutes of 1941) is amended to read:

Sec. 135.5. All claims for money or damages against the district are governed by Chapter 2 (~~commencing with Section 700~~) of Division 3.5 Part 3 (*commencing with Section 900*) and Part 4 (*commencing with Section 940*) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 92. Section 15.5 of the County Water Authority Act (Chapter 545, Statutes of 1943) is amended to read:

Sec. 15.5. All claims for money or damages against the authority are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 93. Section 29 of the Alameda County Flood Control and Water Conservation District Act (Chapter 1275, Statutes of 1949) is amended to read:

Sec. 29. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 94. Section 10 of the Amador County Water Agency Act (Chapter 2137, Statutes of 1959) is amended to read:

Sec. 10. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 95. Section 20.5 of the American River Flood Control District Act (Chapter 808, Statutes of 1927) is amended to read:

Sec. 20.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 96. Section 75 of the Antelope Valley-East Kern Water Agency Law (Chapter 2146, Statutes of 1959) is amended to read:

Sec. 75. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of

the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against counties.

SEC. 97. Section 30 of the Contra Costa County Flood Control and Water Conservation District Act (Chapter 1617, Statutes of 1951) is amended to read:

Sec. 30. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 98. Section 9.5 of the Contra Costa County Storm Drainage District Act (Chapter 1532, Statutes of 1953) is amended to read:

Sec. 9.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 99. Section 20 of the Contra Costa County Water Agency Act (Chapter 518, Statutes of 1957) is amended to read:

Sec. 20. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 100. Section 25 of Chapter 40 of the Statutes of 1962 (1st Ex. Sess.) (Crestline-Lake Arrowhead Water Agency Act) is amended to read:

Sec. 25. All claims for money and damages against the Crestline-Lake Arrowhead Water Agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government

Code, except as provided therein, or by other statutes and regulations expressly applicable thereto.

SEC. 101. Section 31 of the Del Norte County Flood Control District Act (Chapter 166, Statutes of 1955) is amended to read:

Sec. 31. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 102. Section 41 of the El Dorado County Water Agency Act (Chapter 2139, Statutes of 1959) is amended to read:

Sec. 41. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 103. Section 53 of the Fairfield-Suisun Sewer District Act (Chapter 303, Statutes of 1951) is amended to read:

Sec. 53. The district may issue warrants in payment of district obligations. When not paid for want of funds, the warrants shall be registerable as provided in the Government Code for registration of county warrants when not paid for want of funds. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county. All claims shall be free of the limitation of any budget law.

SEC. 104. Section 11.5 of the Fresno Metropolitan Flood Control Act (Chapter 503, Statutes of 1955) is amended to read:

Sec. 11.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 105. Section 31 of the Humboldt County Flood Control District Act (Chapter 939, Statutes of 1945) is amended to read:

Sec. 31. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 106. Section 15 of the Kings River Conservation District Act (Chapter 931, Statutes of 1951) is amended to read:

Sec. 15. Claims for money or damages against the district are governed by the provisions of ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county. The district may employ counsel to defend any action brought against it or any of its directors, officers, agents or employees on account of any taking, injury, damage or destruction to any property or injury or damage to any person, and the fees and expenses involved therein shall be a lawful charge against the district.

SEC. 107. Section 34 of the Lake County Flood Control and Water Conservation District Act (Chapter 1544, Statutes of 1951) is amended to read:

Sec. 34. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner

and with the same effect as are similar claims against the county.

SEC. 108. Section 13 of the Lassen-Modoc County Flood Control and Water Conservation District Act (Chapter 2127, Statutes of 1959) is amended to read:

Sec. 13. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 109. Section 14 $\frac{1}{2}$ of the Los Angeles County Flood Control Act (Chapter 755, Statutes of 1915) is amended to read:

Sec. 14 $\frac{1}{2}$. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 110. Section 4.23 of the Los Angeles Metropolitan Transit Authority Act of 1957 (Chapter 547, Statutes of 1957) is amended to read:

Sec. 4.23. Claims for money or damages against the authority are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 111. Section 11 of the Lower San Joaquin Levee District Act (Chapter 1075, Statutes of 1955) is amended to read:

Sec. 11. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner

and with the same effect as are similar claims against the County of Merced. For the purposes of this section the County Auditor and the County Treasurer of Merced County are ex officio the auditor and treasurer of the district. Any reasonable and necessary expenses actually incurred by Merced County in carrying out any of the provisions of this act relating to the district shall be paid out of the funds of the district applicable thereto.

SEC. 112. Section 29 of the Marin County Flood Control and Water Conservation District Act (Chapter 666, Statutes of 1953) is amended to read:

Sec. 29. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 113. Section 10 of the Mariposa County Water Agency Act (Chapter 2036, Statutes of 1959) is amended to read:

Sec. 10. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 114. Section 8 of the Mendocino County Flood Control and Water Conservation District Act (Chapter 995, Statutes of 1949) is amended to read:

Sec. 8. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 115. Section 24 of the Mojave Water Agency Law (Chapter 2146, Statutes of 1959) is amended to read:

Sec. 24. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 116. Section 53 of the Montalvo Municipal Improvement District Act (Chapter 549, Statutes of 1955) is amended to read:

Sec. 53. The district may issue warrants on any moneys with the county treasurer in payment of district obligations. The warrants shall be registerable as provided for county warrants when not paid for want of funds. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county. All claims shall in every respect be free of the limitation of any budget laws.

SEC. 117. Section 30 of the Monterey County Flood Control and Water Conservation District Act (Chapter 699, Statutes of 1947) is amended to read:

Sec. 30. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 118. Section 15.1 of the Monterey Peninsula Airport District Act (Chapter 52, Statutes of 1941) is amended to read:

Sec. 15.1. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900)~~

and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 119. Section 8 of the Morrison Creek Flood Control District Act (Chapter 1771, Statutes of 1953) is amended to read:

Sec. 8. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 120. Section 30 of the Napa County Flood Control and Water Conservation District Act (Chapter 1449, Statutes of 1951) is amended to read:

Sec. 30. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 121. Section 42 of the Nevada County Water Agency Act (Chapter 2122, Statutes of 1959) is amended to read:

Sec. 42. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 122. Section 3.1 of the Orange County Flood Control Act (Chapter 723, Statutes of 1927) is amended to read:

Sec. 3.1. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of

Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 123. Section 20.5 of the Orange County Water District Act (Chapter 924, Statutes of 1933) is amended to read:

Sec. 20.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 124. Section 29.5 of the Palo Verde Irrigation District Act (Chapter 452, Statutes of 1923) is amended to read:

Sec. 29.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 125. Section 13 of the Plumas County Flood Control and Water Conservation District Act (Chapter 2114, Statutes of 1959) is amended to read:

Sec. 13. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 126. Section 15 of the Riverside County Flood Control and Water Conservation District Act (Chapter 1122, Statutes of 1945) is amended to read:

Sec. 15. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 127. Section 8.1 of the Sacramento County Water Agency Act (Chapter 10, Statutes of 1952 (1st Ex. Sess.)) is amended to read:

Sec. 8.1. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of~~

~~Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 128. Section 34 of the San Benito County Water Conservation and Flood Control District Act (Chapter 1598, Statutes of 1953) is amended to read:

Sec. 34. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 129. Section 8 of the San Bernardino County Flood Control Act (Chapter 73, Statutes of 1939) is amended to read:

Sec. 8. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 130. Section 17.5 of the San Diego County Flood Control District Act (Chapter 1372, Statutes of 1945) is amended to read:

Sec. 17.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 131. Section 30 of the San Luis Obispo County Flood Control and Water Conservation District Act (Chapter 1294, Statutes of 1945) is amended to read:

Sec. 30. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such

claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 132. Section 9 of the San Mateo County Flood Control District Act (Chapter 2108, Statutes of 1959) is amended to read:

Sec. 9. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 133. Section 31 of the Santa Barbara County Flood Control and Water Conservation District Act (Chapter 1057, Statutes of 1955) is amended to read:

Sec. 31. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 134. Section 8.1 of the Santa Barbara County Water Agency Act (Chapter 1501, Statutes of 1945) is amended to read:

Sec. 8.1. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 135. Section 48 of the Santa Clara-Alameda-San Benito Water Authority Act (Chapter 1289, Statutes of 1955) is amended to read:

Sec. 48. All claims for money or damages against the authority are governed by ~~Chapter 2 (commencing with Section~~

~~700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.~~

SEC. 136. Section 30 of the Santa Clara County Flood Control and Water Conservation District Act (Chapter 1405, Statutes of 1951) is amended to read:

Sec. 30. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 137. Section 154 of the Santa Cruz County Flood Control and Water Conservation District Act (Chapter 1489, Statutes of 1955) is amended to read:

Sec. 154. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 138. Section 13 of the Sierra County Flood Control and Water Conservation District Act (Chapter 2123, Statutes of 1959) is amended to read:

Sec. 13. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 139. Section 13 of the Siskiyou County Flood Control and Water Conservation District Act (Chapter 2121, Statutes of 1959) is amended to read:

Sec. 13. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of~~

~~Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 140. Section 8.1 of the Solano County Flood Control and Water Conservation District Act (Chapter 1656, Statutes of 1951) is amended to read:

Sec. 8.1. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 141. Section 53 of the Solvang Municipal Improvement District Act (Chapter 1635, Statutes of 1951) is amended to read:

Sec. 53. The district may issue warrants in payment of district obligations. The warrants shall be registerable as provided for county warrants when not paid for want of funds. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county. All claims shall be free of the limitation of any budget law.

SEC. 142. Section 8 of the Sonoma County Flood Control and Water Conservation District Act (Chapter 994, Statutes of 1949) is amended to read:

Sec. 8. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body,

and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 143. Section 10 of the Sutter County Water Agency Act (Chapter 2088, Statutes of 1959) is amended to read:

Sec. 10. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 144. Section 23 of the Upper Santa Clara Valley Water Agency Law (Chapter 28, Statutes of 1962 (1st Ex. Sess.)) is amended to read:

Sec. 23. All claims for money or damages against this agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 145. Section 2.5 of the Vallejo Sanitation and Flood Control District Act (Chapter 17, Statutes of 1952 (1st Ex. Sess.)) is amended to read:

Sec. 2.5. All claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

SEC. 146. Section 13 of the Ventura County Flood Control Act (Chapter 44, Statutes of 1944 (4th Ex. Sess.)) is amended to read:

Sec. 13. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 147. Section 8 of the Yolo County Flood Control and Water Conservation District Act (Chapter 1657, Statutes of 1951) is amended to read:

Sec. 8. Claims for money or damages against the district are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 148. Section 10 of the Yuba County Water Agency Act (Chapter 788, Statutes of 1959) is amended to read:

Sec. 10. Claims for money or damages against the agency are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county.

SEC. 149. Section 40 of the Yuba-Bear River Basin Authority Act (Chapter 2131, Statutes of 1959) is amended to read:

Sec. 40. Claims for money or damages against the authority are governed by ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against counties.

SEC. 150. Section 15 of the Kings River Conservation District Act (Chapter 931, Statutes of 1951) is amended to read:

Sec. 15. Claims for money or damages against the district are governed by the provisions of ~~Chapter 2 (commencing with Section 700) of Division 3.5 Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6~~ of Title 1 of the Government Code, except as provided therein. Claims not governed thereby or by other statutes or by ordinances or regulations authorized by law and expressly applicable to such claims shall be prepared and presented to the governing body, and all claims shall be audited and paid, in the same manner and with the same effect as are similar claims against the county. The district may employ counsel to defend

any action *or proceeding* brought against it [~~or any of its directors, officers, agents or employees~~] on account of any taking, injury, damage or destruction to any property or injury or damage to any person, *or to defend as provided in Part 6 (commencing with Section 995) of Division 3.6 of Title 1 of the Government Code an action or proceeding brought against any of its officers, agents or employees*, and the fees and expenses involved therein [~~shall be~~] *are* a lawful charge against the district.

SEC. 151. Section 150 of this act shall become operative only if Senate Bill No. ___ is enacted by the Legislature at its 1963 Regular Session, and in such case Section 106 of this act is repealed.

SEC. 152. This act takes effect on July 1, 1964.

Comment: The effective date is postponed to provide entities and claimants with ample notice of the procedural changes made.

SEC. 153. This act applies only to causes of action that accrue on or after its effective date. Causes of action that accrued prior to the effective date of this act are not affected by this act but shall continue to be governed by the law applicable thereto prior to the effective date of this act. Nothing in this act shall be deemed to allow an action on, or to permit reinstatement of, a cause of action that was barred prior to the effective date of this act.

Comment: This section is included to ensure that this act will be applied prospectively only.

APPENDIX

DISPOSITION TABLE

This table shows where the subject matter of the repealed sections of Division 3.5 (commencing with Section 600) of Title 1 of the Government Code is covered in legislation recommended by Commission or the reason why the subject matter of those sections is not included in the recommended legislation.

<i>Government Code Section</i>	<i>Recommended Section or Reason Why Omitted</i>	<i>Government Code Section</i>	<i>Recommended Section or Reason Why Omitted</i>
600-609	925-926.8	653	965.2
620 (first paragraph)	905.2	654	965.2
620 (second paragraph)	912.8	655	965.4
621	905.2	700	900.4
	910		900.6
	910.2		940.4
	912.8	701	940.6
622	912.8		Obsolete—the amendment referred to in Section 701 has been adopted.
623	965	702	Obsolete—see Section 153 of the proposed legislation.
624	912.8		905
625	905.4	703	
630-634	920-920.8	704	Obsolete—see Section 152 of the proposed legislation providing that the effective date of the proposed legis- tion is July 1, 1964.
640	Obsolete—applies only to certain actions pending prior to Sept. 13, 1941.		
641	905.2	705	930.2
	945.4	710	945.4
642	945.2	711 (first paragraph)	910
643 (first sentence)	911.2	711 (second paragraph)	910.2
643 (second sentence)	945.6	711 (third paragraph)	910.6
644 (first sentence)	911.2	712	910.6
644 (second sentence)	945.6		910.8
645	946	713	911
646	911.4-912.2	714	915
647	947	715 (first paragraph)	911.2
	951	715 (second paragraph)	901
648	955.6	716	911.4-912.2
649	955.4	717 (first paragraph)	912.6
650	955.8	717 (second paragraph)	913
651	955	718 (first paragraph)	946
652	Obsolete—insofar as Sec- tion 652 relates to inter- est, it is superseded by Section 3287 of the Civil Code which was amended in 1959 to make it ap- plicable to public entities; insofar as Section 652 re- lates to costs, it is super- seded by Section 1028 of the Code of Civil Pro- cedure.	718 (second paragraph)	942
		719	945.6
			945.8
		720	949
		730	935
		800-803	950-950.8

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