

**JUDICIAL COUNCIL OF CALIFORNIA
ADMINISTRATIVE OFFICE OF THE COURTS**

455 Golden Gate Avenue
San Francisco, California 94102-3688

Report

TO: Members of the Judicial Council

FROM: Mary M. Roberts, General Counsel
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Office of the General Counsel

DATE: April 3, 2007

SUBJECT: Amendment of Appendix B to the California Rules of Court
(Informational)

Issue Statement

Civil Code section 1714.1(c) requires the Judicial Council to compute, adjust, and publish every two years the liability limit of a parent or guardian for the willful misconduct of a minor. The Judicial Council has authorized the Administrative Director of the Courts to make the adjustment.

Action Taken

On March 29, 2007, the Administrative Director of the Courts adjusted the liability limit as mandated by Civil Code section 1714.1(c) and as authorized by the Judicial Council. The adjusted liability limit is set forth in the California Rules of Court, Appendix B. Staff has posted the amended Appendix B on the California Courts Web site and is sending the amendment out for publication in the advance sheets of the California Official Reports.

This report is for the Judicial Council's information only. A copy of amended Appendix B to the California Rules of Court, with the adjusted liability limit, is attached as Exhibit A.

Rationale for Action Taken

Civil Code section 1714.1(a) imputes liability, for any act of willful misconduct of a minor that results in injury or death to another person or in any injury to the property of another, to the parent or guardian having custody and control of the minor. (See Exhibit B.) Under subdivision (b), a parent or guardian having custody and control of a

minor is liable for any act of willful misconduct of the minor that results in the defacement of property of another with paint or a similar substance. Under either subdivision (a) or (b), the joint or several liability of the parent or guardian having custody or control shall not exceed \$25,000 for each tort of the minor, *except as provided in subdivision (c)*.

Subdivision (c) requires the Judicial Council to compute, adjust, and publish the maximum amount of liability every two years, on or before January 1, 1997, and on or before January 1 of each odd numbered year thereafter.¹ By Circulating Order CO-97-07, the council authorized the Administrative Director of the Courts to make future adjustments.

The statutory formula for determining each adjustment is published in Appendix B to the California Rules of Court, which gives the adjustments and calculations a permanent place for reference. Based on that formula and based on the 210.5 annual average of the 2006 California Consumer Price Index, the adjusted liability limit as of January 1, 2007, is \$34,700.

Attached as Exhibit A is the amended Appendix B to the California Rules of Court. It sets forth the 2007 calculation of the adjusted liability limit, including the formula used for the calculation.

Alternative Actions Considered

The adjustment is required by statute; no alternative actions were considered.

Comments from Interested Parties

None. This is a minor substantive change that is unlikely to create controversy, and it was not circulated for public comment.

Implementation Requirements and Costs

No special requirements or costs.

Attachments

¹ This deadline was not met because the computation must be based on the Consumer Price Index for the previous year. This information was not available from the California Department of Industrial Relations, Division of Labor Statistics and Research until February 28. Staff will consider alternatives for ensuring future timely publication of the adjustment, including proposing an amendment to Civil Code section 1714.1(c).

Exhibit A

Appendix B

Liability Limits of a Parent or Guardian Having Custody and Control of a Minor for the Torts of a Minor (Civil Code, § 1714.1)

Formula

Pursuant to Civil Code section 1714.1, the joint and several liability limit of a parent or guardian having custody and control of a minor under subdivisions (a) and (b) for each tort of the minor shall be computed and adjusted as follows:

$$\text{Adjusted limit} = \left[\frac{\text{Current CCPI-January 1, 1995, CCPI}}{\text{January 1, 1995, CCPI}} + 1 \right] \times \text{January 1, 1995, limit}$$

Definition

“CCPI” means the California Consumer Price Index, as established by the California Department of Industrial Relations.

January 1, 2005 2007, calculation and adjustment

The joint and several liability of a parent or guardian having custody and control of a minor under Civil Code section 1714.1, subdivision (a) or (b), effective January 1, 2005 2007, shall not exceed ~~\$32,200~~ \$34,735 for each tort. The calculation is as follows:

$$\text{\$32,244 } \underline{\text{\$34,735}} = \left[\frac{\text{195.4 } \underline{\text{210.5}} - \text{151.5}}{\text{151.5}} + 1 \right] \times \text{25,000}$$

Under section 1714.1, subdivision (c), the adjusted limit is rounded to the nearest hundred dollars.

Approved: 
William C. Vickrey
Administrative Director of the Courts

Date: 3-29-07

Exhibit B

Cal Civ Code § 1714.1 (2007)

§ 1714.1. Civil liability of parents for minor's acts of willful misconduct resulting in death, personal injury, or property damage

(a) Any act of willful misconduct of a minor which results in injury or death to another person or in any injury to the property of another shall be imputed to the parent or guardian having custody and control of the minor for all purposes of civil damages, and the parent or guardian having custody and control shall be jointly and severally liable with the minor for any damages resulting from the willful misconduct.

Subject to the provisions of subdivision (c), the joint and several liability of the parent or guardian having custody and control of a minor under this subdivision shall not exceed twenty-five thousand dollars (\$25,000) for each tort of the minor, and in the case of injury to a person, imputed liability shall be further limited to medical, dental and hospital expenses incurred by the injured person, not to exceed twenty-five thousand dollars (\$25,000). The liability imposed by this section is in addition to any liability now imposed by law.

(b) Any act of willful misconduct of a minor which results in the defacement of property of another with paint or a similar substance shall be imputed to the parent or guardian having custody and control of the minor for all purposes of civil damages, including court costs, and attorney's fees, to the prevailing party, and the parent or guardian having custody and control shall be jointly and severally liable with the minor for any damages resulting from the willful misconduct, not to exceed twenty-five thousand dollars (\$25,000), except as provided in subdivision (c), for each tort of the minor.

(c) The amounts listed in subdivisions (a) and (b) shall be adjusted every two years by the Judicial Council to reflect any increases in the cost of living in California, as indicated by the annual average of the California Consumer Price Index. The Judicial Council shall round this adjusted amount up or down to the nearest hundred dollars. On or before January 1, 1997, and on or before January 1 of each odd-numbered year thereafter, the Judicial Council shall compute and publish the amounts listed in subdivisions (a) and (b), as adjusted according to this subdivision.

(d) The maximum liability imposed by this section is the maximum liability authorized under this section at the time that the act of willful misconduct by a minor was committed.

(e) Nothing in this section shall impose liability on an insurer for a loss caused by the willful act of the insured for purposes of Section 533 of the Insurance Code. An insurer shall not be liable for the conduct imputed to a parent or guardian by this section for any amount in excess of ten thousand dollars (\$10,000).