

1 [Administrative Code - Settlement of Claims and Lawsuits]

2

3 **Ordinance amending the Administrative Code to increase the amount that the Board of**  
 4 **Supervisors delegates to the City Attorney to settle claims and lawsuits in favor of and**  
 5 **against the City from no more than \$25,000 to no more than \$100,000; require the City**  
 6 **Attorney to annually report settlements between \$25,000 and \$100,000 to the Board of**  
 7 **Supervisors and the Mayor; increase the amount the Board of Supervisors delegates to**  
 8 **the Human Resources Director with the approval of the City Attorney to settle**  
 9 **grievances under labor memoranda of understanding from \$50,000 to \$100,000; and to**  
 10 **update and modernize other provisions concerning claims and lawsuits.**

11 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
 12 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
 13 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
 14 **Board amendment additions** are in double-underlined Arial font.  
 15 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
 16 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
 17 subsections or parts of tables.

18 Be it ordained by the People of the City and County of San Francisco:

19 Section 1. Article II of Chapter 10 of the Administrative Code is hereby amended by  
 20 revising Sections 10.20-1, 10.20-2, 10.20-3, 10.20-4, 10.20-5, 10.20-7 (renumbered to  
 21 10.20-6), 10.21, 10.22, 10.25 (renumbered to 10.23), and 10.25-12, and deleting Sections  
 22 10.20-6, 10.20-8, 10.22-1, 10.22-2, 10.23, 10.24, to read as follows:

23 **SEC. 10.20-1. NECESSITY FOR FILING CLAIM.**

24 No suit for money or damages may be brought against the City ~~and County~~ until a  
 25 written claim ~~therefor~~ has been presented to and rejected by the City ~~and County in conformity~~

1 ~~with the~~ under provisions of ~~general~~ State law relating to claims against public entities. *Pursuant*  
2 ~~to the authority set forth in~~ As provided in ~~California~~ Government Code Section 935, as it may be  
3 amended from time to time, all claims against the City shall be subject to this requirement,  
4 including those claims otherwise exempt from claim filing requirements under ~~California~~  
5 Government Code Section 905, as it may be amended from time to time, except where the claims  
6 are governed by other statutes or regulations ~~relating expressly thereto~~.

7  
8 **SEC. 10.20-2. PRESENTATION AND FORM OF CLAIM.**

9 A claim ~~as~~ required to be filed ~~pursuant to~~ under Section 10.20-1 shall be presented by  
10 the claimant or by a person acting ~~in his or her~~ on their behalf as indicated by Government Code  
11 Section 915, ~~of Government Code~~ as it may be amended from time to time, and shall show:

- 12 (a) The name and ~~post office~~ address of the claimant;
- 13 (b) The ~~post office~~ address to which the claimant desires notices to be sent;
- 14 (c) The date, place and other circumstances of the occurrence or transaction which  
15 gave rise to the claim ~~asserted~~;
- 16 (d) A general description of the indebtedness, obligation, injury, damage, or loss  
17 incurred ~~so far as it may be known at the time of presentation~~;
- 18 (e) The name or names of the public employee or employees, if any, causing the  
19 injury, damage, or loss, if known; and
- 20 (f) The amount claimed ~~if it totals less than ten thousand dollars (\$10,000)~~ as of the date

21 of presentation of the claim, including the estimated amount of any prospective injury,  
22 damage, or loss, ~~insofar as it may be known at the time of the presentation of the claim~~, together  
23 with the basis of computation of the amount claimed. ~~If the amount claimed exceeds ten thousand~~  
24 ~~dollars (\$10,000), no dollar amount need be included in the claim. However, the claim shall indicate~~  
25 ~~whether it would be a limited jurisdiction civil case.~~

1           The claim shall be signed by the claimant or by ~~some a~~ person on the claimant's his or  
2 ~~her~~ behalf, except that claims against the City ~~and County~~ for supplies, equipment, or services  
3 need not be signed by the claimant or on their his or her behalf if presented on a billhead or  
4 invoice regularly used in conduct of the claimant's business of the claimant.

5           A claim may be amended as set forth in Government Code Section 910.6(a), as it may  
6 be amended from time to time. ~~of Government Code of the State of California.~~

7           The City Attorney shall prepare a claim form that requests the information identified in this  
8 Section 10.20-2, and any other information the City Attorney deems necessary for processing the claim.

9  
10           **SEC. 10.20-3. TIME OF PRESENTATION OF CLAIMS.**

11           A claim relating to a cause of action for death, personal injury, or property damage ~~death~~  
12 ~~or injury to person or to personal property or growing crops~~ shall be presented not later than ~~the~~  
13 six months after the accrual of the cause of action. A claim relating to any other cause of  
14 action shall be presented not later than one year after the accrual of the cause of action.

15           For the purpose of computing the time limit prescribed by this Section 10.20-3, the  
16 date of the accrual of a cause of action to which a claim relates is the date upon which the  
17 cause of action would be deemed to have accrued within the meaning of the applicable statute  
18 of limitations ~~which would be applicable thereto if there were no requirement that a claim be~~  
19 ~~presented to the City and County before an action could be commenced thereon.~~

20           When a claim that is required to be presented not later than six months after accrual of the  
21 cause of action is presented after such time without an application for leave to present a late claim  
22 under Section 10.20-6, the City Attorney may, at any time within 45 days after the claim is presented,  
23 give written notice to the person presenting the claim that the claim was not filed timely and that it is  
24 being returned without further action.

1                   **SEC. 10.20-4. PLACE OF PRESENTATION OF CLAIM.**

2                   A claim and any amendments to a claim shall be presented to the City ~~and County~~ not  
3 later than the last day of the period specified in Section 10.20-3, or in the case of an amendment not  
4 later than the last day of the period specified in Government Code Section 910.6(a), as it may be  
5 amended from time to time, by hand delivering or mailing it to the Office of the Controller, Claims  
6 Division (1) by delivering it to the Clerk of the Board of Supervisors or Controller of the City and  
7 County, or (2) by mailing the claim to the Clerk of the Board of Supervisors or the Controller of the  
8 City and County or to the Board of Supervisors at its principal office not later than the last day of the  
9 period specified in Section 10.20-3.

10                  If a claim or any amendment to a claim is presented by mail, it shall be deposited in ~~a~~  
11 the United States mail post office, or a mailbox, sub post office, substation, or mail chute, or other  
12 like facility regularly maintained by the government of the United States, in a sealed envelope,  
13 properly addressed, with postage paid. The claim or amendment to claim shall be deemed to  
14 have been presented and received at the time of deposit. Proof of mailing may be made in the  
15 manner prescribed by Code of Civil Procedure Section 10-13a ~~of the Code of Civil Procedure.~~

16                  A claim or amendment to a claim shall be deemed to have been presented in  
17 compliance with this Section 10.20-4 even though it is not delivered or mailed as provided in  
18 this Section if it is actually received by the ~~Clerk of the Board of Supervisors or the~~ Office of the  
19 Controller, Claims Division of the City and County within the time prescribed for presentation  
20 thereof.

21  
22                   **SEC. 10.20-5. DISPOSITION OF CLAIMS.**

23                  (a) All properly presented claims, ~~regardless of how presented,~~ shall be forwarded to the  
24 Controller and entered in the claim register by ~~him or her~~ the Controller. After entering a claim  
25 in the claim register, the Controller shall ~~forthwith~~ forward it to the City Attorney or their

1 ~~designee (“City Attorney”); excepting therefrom those claims which are subject to Section 10.20-6 of~~  
2 ~~this Article.~~

3 (b) The City Attorney shall review all claims ~~forwarded to him or her~~ to determine if  
4 they substantially comply with the requirements of Government Code Sections 910 and 910.2,  
5 ~~as such sections may be amended from time to time of Government Code.~~ Within 20 days after the  
6 claim is presented, the City Attorney shall give the claimant written notice of its insufficiency, ~~if~~  
7 ~~any,~~ stating with particularity, the defects or omissions therein; ~~provided further, that T~~the City  
8 Attorney ~~may shall forthwith upon receipt of a claim~~ request an investigation by the department  
9 which has jurisdiction over the matter or property giving rise to the claim. The department  
10 shall submit a report with respect to the circumstances of the claim and its recommendation ~~to~~  
11 ~~the City Attorney thereon~~ within 30 days ~~of the City Attorney’s request to the City Attorney.~~

12 (c) ~~Pursuant to As provided in Government Code~~ Section 935.4, ~~as it may be amended~~  
13 ~~from time to time, of Government Code,~~ the City Attorney ~~is hereby authorized to may~~ reject ~~any and~~  
14 ~~all~~ claims forwarded ~~to him or her~~ by the Controller. ~~He or she~~ The City Attorney shall notify the  
15 claimant of such rejection, ~~indicating whether the rejection is by operation of law or otherwise.~~

16 ~~—Further action by the City Attorney in connection with a claim shall be governed by the~~  
17 ~~provisions of Sections 10.21 and 10.22 of the San Francisco Administrative Code.~~ The City Attorney  
18 ~~is authorized to may~~ extend, by agreement with the claimant, the time within which the City  
19 Attorney may consider a claim for purposes of payment or compromise under Section~~s~~ 10.21  
20 ~~and 10.22.~~

21  
22 **~~SEC. 10.20-6. DISPOSITION OF CLAIMS BY COMMISSIONS.~~**

23 ~~Pursuant to Sections 935.2 and 935.4 of Government Code, State of California, and Section~~  
24 ~~B3.585 of the Charter of the City and County of San Francisco, the Port Commission is hereby~~  
25 ~~authorized to perform all functions of the Board of Supervisors under Part III of Division 3.6 of Title I~~

1 ~~of Government Code, State of California, relative to claims arising out of or in connection with any~~  
2 ~~matter or property under its jurisdiction; provided, however, that applications for leave to present late~~  
3 ~~claims pursuant to Section 10.20-7 of the San Francisco Administrative Code and Section 911.4 of~~  
4 ~~Government Code, State of California, may be acted upon by the Port Commission, its chief executive~~  
5 ~~officer or a duly designated employee thereof.~~

6 ~~—In carrying out these functions, the Port Commission may authorize, within prescribed limits,~~  
7 ~~designated officers or employees to extend by agreement with the claimant the time within which the~~  
8 ~~claim may be considered for allowance or compromise and settlement.~~

9  
10 **SEC. 10.20-~~6~~7. APPLICATION FOR LEAVE TO PRESENT LATE CLAIM.**

11 (a) An application for leave to present a late claim shall be made in the manner  
12 prescribed in Section 10.20-4 for the presentment of a claim within a reasonable time not to  
13 exceed one year after the accrual of the cause of action. The application shall state the  
14 reason for the delay in presenting the claim and the proposed claim shall be attached ~~thereto;~~

15 (b) Subject to subsection (c) of this Section 10.20-6, the application shall be forwarded  
16 to the City Attorney, who is ~~hereby~~ authorized, pursuant to Government Code Section 935.4,  
17 as it may be amended from time to time, to perform the functions of the Board of Supervisors  
18 prescribed by Government Code, ~~State of California,~~ Section 911.4, as it may be amended from  
19 time to time ~~with respect to said application~~. The City Attorney shall give notice in writing to the  
20 applicant of the action taken upon such application.

21 (c) An application for leave to present a late claim involving a matter under the  
22 jurisdiction of the Port Commission ~~which is subject to Section 10.20-6~~ shall be forwarded to the  
23 Port Commission for action pursuant to Government Code Sections 911.4 and 911.8, ~~of~~  
24 Government Code ~~as such sections may be amended from time to time, State of California.~~

1           **~~SEC. 10.20-8. REQUESTS FOR WAIVER OF STATUTE OF LIMITATIONS.~~**

2           ~~—(a) All requests by claimants for waiver of the statute of limitations by the Board of~~  
3 ~~Supervisors shall be in writing and shall be filed with the Controller.~~

4           ~~—(b) Every claimant requesting such waiver shall pay a fee to the Controller in an amount to~~  
5 ~~be established as hereafter provided.~~

6           ~~—(c) The Board of Supervisors shall determine and fix by resolution the fee to be paid by~~  
7 ~~claimants requesting such waiver. Fees so fixed shall remain effective until new fees are established as~~  
8 ~~hereafter provided.~~

9           ~~— Annually, on or before the fifteenth day of May of each year, the Controller shall determine~~  
10 ~~and report to the Board of Supervisors an estimate of the costs to be incurred by departments, boards~~  
11 ~~and commissions of the City and County, including the cost of publication of any ordinance or~~  
12 ~~resolution in the official newspaper, in processing said requests for the ensuing fiscal year. The Board~~  
13 ~~of Supervisors may thereupon by resolution revise the amount of the fee heretofore fixed.~~

14           ~~— All fees collected and retained pursuant to the terms of this Section shall be applied in~~  
15 ~~defraying the costs of processing said requests.~~

16           ~~—(d) Upon the denial of any such request, the claimant shall be entitled to a refund of any fee~~  
17 ~~paid pursuant to this Section upon application to the Controller.~~

18  
19           **~~SEC. 10.21. ADJUSTMENT, PAYMENT AND SETTLEMENT OF CLAIMS,~~**  
20 **~~JUDGMENTS AND DEMANDS PRIOR TO THEIR PRESENTMENT AS CLAIMS.~~**  
21 **SETTLEMENT OF CLAIMS AND LAWSUITS.**

22           The City Attorney or the City Attorney’s designee (“City Attorney”) is authorized to settle any  
23 litigated or unlitigated claim against or in favor of the City, if the amount of such settlement does not  
24 exceed \$100,000. The City Attorney shall notify the department head of the affected department before  
25 finalizing such settlement. Any unlitigated claim against or in favor of the City that exceeds \$100,000

1 may be settled upon approval of the City Attorney and the Board of Supervisors by resolution, and any  
2 litigated claim against or in favor of the City that exceeds \$100,000 may be settled upon approval of  
3 the City Attorney and the Board of Supervisors by ordinance. No payment of City funds authorized by  
4 this Section 10.21 shall be made until the Controller has certified that monies are available to pay such  
5 settlement.

6 As provided in Charter Section B3.585, the City Attorney may, with the approval of the Port  
7 Commission, compromise, settle, or dismiss any litigation, claim, or legal proceeding in favor of or  
8 against the Port Commission relative to any matter under its jurisdiction.

9 As provided in Charter Section 8A.102, the City Attorney may, with the approval of the  
10 Municipal Transportation Agency Board of Directors, compromise, settle, or dismiss any litigation,  
11 claim, or legal proceeding in favor of or against the Municipal Transportation Agency relative to any  
12 matter or property under its jurisdiction.

13 ~~The City Attorney or staff member of the Office of the City Attorney designated by the City~~  
14 ~~Attorney may adjust, pay and settle any claim, judgment (together with allowable costs as approved by~~  
15 ~~the court) or demand made prior to its presentment as a claim where the amount of the adjustment or~~  
16 ~~settlement does not exceed \$25,000.~~

17  
18 **SEC. 10.22. REPORTING SETTLEMENT OF CLAIMS AND LAWSUITS. ALLOWANCE**  
19 **OR SETTLEMENT OF UNLITIGATED CLAIMS EXCEEDING TWENTY-FIVE THOUSAND**  
20 **DOLLARS.**

21 The City Attorney shall report to the Board of Supervisors and the Mayor annually by  
22 September 30, settlements of claims and lawsuits for amounts over \$25,000 and up to and including  
23 \$100,000 in the preceding fiscal year, except settlements approved by the Port Commission or the  
24 Municipal Transportation Agency Board of Directors. The report shall identify the party or parties  
25 with whom the City settled, the settlement amount, the City department involved, and the general

1 subject matter of the claim or lawsuit. The first such report shall be due no later than September 30,  
2 2027, for such settlements approved after the effective date of the ordinance in Board File No. \_\_\_\_\_  
3 in Fiscal Year 2026-2027.

4 ~~—Any unlitigated claim against the City and County in excess of \$25,000 may be allowed or~~  
5 ~~settled and compromised on the written recommendation of the head of the department or of the board~~  
6 ~~or commission in charge of the department against which the claim is made, with the written approval~~  
7 ~~of the City Attorney and the approval of the Board of Supervisors by resolution. No claim shall be paid~~  
8 ~~until the Controller shall certify that monies are available from the proper funds or appropriations to~~  
9 ~~pay the claim as allowed or as compromised and settled.~~

10  
11 **~~SEC. 10.22-1. SETTLEMENT OF MINOR'S CLAIMS.~~**

12 ~~—The City Attorney may settle a minor's claim in an amount not to exceed \$5,000.00 by~~  
13 ~~accepting a hold harmless agreement from the minor's parent or other responsible guardian in lieu of~~  
14 ~~Superior Court approval and release pursuant to Probate Code Section 3500 or any successor~~  
15 ~~legislation. The Controller is authorized to make payment upon receipt of such hold harmless~~  
16 ~~agreement or a copy thereof.~~

17  
18 **~~SEC. 10.22-2. SETTLEMENT OF LITIGATION NOT EXCEEDING TWENTY-FIVE~~**  
19 **~~THOUSAND DOLLARS.~~**

20 ~~—Any litigated claim may be compromised and settled with the written approval of the City~~  
21 ~~Attorney or a staff member of the Office of the City Attorney, designated by the City Attorney, where the~~  
22 ~~amount of such compromise or settlement is not in excess of \$25,000.00, provided such settlement has~~  
23 ~~been approved by the head of the department which has jurisdiction over the matter. No payment by~~  
24 ~~way of compromise and settlement authorized by this Section shall be made until the Controller shall~~  
25 ~~certify that monies are available from the proper funds or appropriations to pay such compromise and~~

1 ~~settlement. The City Attorney shall submit, on a monthly basis, a report to each City department and~~  
2 ~~commission and the Board of Supervisors listing litigation settled for an amount not in excess of~~  
3 ~~\$25,000.00 during that month. Said reports shall list each litigation by amount demanded, amount~~  
4 ~~paid, nature of incident giving rise to the litigation and the city department involved.~~

5  
6 **~~SEC. 10.23. CLAIMS IN FAVOR OF CITY AND COUNTY - NOTICE TO BE FILED.~~**

7 ~~—Whenever any claim in favor of the City and County shall arise against any person, it shall be~~  
8 ~~the duty of the department head or of the board or commission concerned by the claim to forthwith file~~  
9 ~~a written notice thereof with the City Attorney and the Controller, which notice shall set forth generally~~  
10 ~~the amount and nature of the claim and the name and address of the person against whom the claim is~~  
11 ~~made.~~

12  
13 **~~SEC. 10.24. CLAIMS IN FAVOR OF THE CITY AND COUNTY - SETTLEMENT.~~**

14 ~~—(a) **Claim Under \$25,000.00, Not Litigated.** Any claim in favor of the City and County of~~  
15 ~~San Francisco which does not exceed in amount the sum of \$25,000.00; and is not the subject of~~  
16 ~~litigation may be settled and compromised on the written recommendations of the department head, or~~  
17 ~~of the board or commission in charge of the department in favor of which such claim is made, and the~~  
18 ~~City Attorney.~~

19 ~~—(b) **Claim Over \$25,000.00, Not Litigated.** If the claim exceeds in amount the sum of~~  
20 ~~\$25,000; and is not the subject of litigation, the same may be settled and compromised only on the~~  
21 ~~written recommendations of the department head, or the board or commission, and the City Attorney;~~  
22 ~~and the approval of the Board of Supervisors by resolution.~~

23 ~~—(c) **Litigated Claim Under \$25,000.00.** Any litigated claim in favor of the City and County in~~  
24 ~~which the total claim does not exceed in amount the sum of \$25,000.00; may be settled and~~  
25 ~~compromised by the City Attorney upon written recommendation of the head of the department in favor~~

1 *of which such claim is made, subject to the written approval of the Mayor or the Mayor's designee with*  
2 *respect to the departments under the Mayor's jurisdiction (provided that the designee is not department*  
3 *head of the department concerned), and subject to the approval by resolution of the board or*  
4 *commission having jurisdiction over such department in other cases.*

5  
6 **SEC. 10.235. EXCEPTIONS TO ~~FOUR~~ PRECEDING SECTIONS.**

7 The provisions of Sections 10.21 ~~and to~~ 10.224 of this Code shall not apply to claims  
8 referred to the Bureau of Delinquent Revenue Collection, pursuant to the provisions of  
9 Sections 10.37 to 10.42 of this Code.

10  
11 **SEC. 10.25-12. SETTLEMENT OF GRIEVANCE FILED PURSUANT TO VALID**  
12 **MEMORANDA OF UNDERSTANDING.**

13 (a) Notwithstanding any other provision of the Administrative Code, the Human  
14 Resources Director is authorized to settle grievances filed pursuant to valid memoranda of  
15 understanding in an amount not to exceed \$~~100,000~~100,000 for class action grievances, and not  
16 to exceed \$~~100,000~~100,000 for any individual grievances, or for any individual who is part of a  
17 class action settlement. All settlements pursuant to this Section shall require the approval of  
18 the City Attorney and certification by the Controller of the existence of sufficient funds to pay  
19 the settlement in the appropriate department budget.

20 (b) Notwithstanding any other provision of the Administrative Code, appointing  
21 officers are authorized to settle grievances filed pursuant to valid memoranda of  
22 understanding in an amount not to exceed the equivalent of 45 days of a grieving employee's  
23 compensation. All settlements pursuant to this Section shall be in accordance with the policies  
24 and procedures of the Department of Human Resources and shall require the approval of the  
25

1 City Attorney and certification by the Controller of the existence of sufficient funds to pay the  
2 settlement in the appropriate department budget.

3 ~~—(c) The Human Resources Director shall file with the Board of Supervisors on a quarterly  
4 basis, beginning July 15, 1997, for the period of April 1, 1997 through June 30, 1997, a written report  
5 identifying and summarizing all settlements approved under the provisions of this Section.~~

6  
7 Section 2. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
8 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
9 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
10 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
11 additions, and Board amendment deletions in accordance with the “Note” that appears under  
12 the official title of the ordinance.

13  
14 Section 3. Effective Date. This ordinance shall become effective on the 31st day after  
15 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
16 ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board  
17 of Supervisors overrides the Mayor’s veto of the ordinance.

18  
19 APPROVED AS TO FORM:  
20 DAVID CHIU, City Attorney

21 By: /s/ Bradley A. Russi  
22 BRADLEY A. RUSSI  
23 Deputy City Attorney

24 4902-3231-9671 v.1  
25