



JUDICIAL COUNCIL OF CALIFORNIA

455 Golden Gate Avenue · San Francisco, California 94102-3688

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on: May 17, 2019

Title	Agenda Item Type
Civil Practice and Procedure: Adjustment of Maximum Amount of Imputed Liability of Parent or Guardian for Tort of a Minor	Action Required
	Effective Date
	July 1, 2019
Rules, Forms, Standards, or Statutes Affected	Date of Report
Amend Cal. Rules of Court, Appendix B	April 4, 2019
Recommended by	Contact
Judicial Council staff Susan McMullan, Supervising Attorney Legal Services	Anne M. Ronan, 415-865-8933 anne.ronan@jud.ca.gov

Executive Summary

Judicial Council staff recommends that the Judicial Council amend Appendix B of the California Rules of Court to reflect the biannual adjustments to the dollar amounts of the maximum amount of liability of parents or guardians to be imputed for the torts of a minor under Civil Code section 1714.1, and direct that staff publish the adjusted amounts.

Recommendation

Judicial Council staff recommends that the Judicial Council, effective July 1, 2019, amend Appendix B of the California Rules of Court to adjust the maximum liability of the parent or guardian having custody and control of a minor for the willful misconduct of the minor, under Civil Code section 1714.1(a) or (b), from \$ \$42,100 to 45,000.

The text of amended Appendix B is attached at page 4.

Relevant Previous Council Action

Since January 1, 1997, Civil Code section 1714.1(c) has required that the council compute an adjustment to the dollar amounts stated in subdivisions (a) and (b) of that code section every two years, based on the change in the California Consumer Price Index. By Circulating Order CO-97-07, the council authorized the Administrative Director to make those adjustments on an ongoing basis and to report that action to the council. The Administrative Director did so every odd-numbered year since that time until 2013, at which time the council itself approved the adjustment. The revised Appendix B has been published with the California Rules of Court each time.

Analysis/Rationale

Civil Code section 1714.1(a) and (b)¹ imputes liability for any act of willful misconduct of a minor that results in injury or death to another person, injury to the property of another, or the defacement of the property of another by paint, to the parent or guardian having custody and control of the minor. Both subdivisions state that the maximum liability of the parent or guardian shall not exceed \$25,000 for each tort of the minor, but note that the maximum amount is subject to subdivision (c). Subdivision (c) requires the Judicial Council to compute an adjustment to the maximum amount every two years to reflect increases in the cost of living, as indicated by the annual average of the California Consumer Price Index (CCPI), and to publish the adjusted maximum amounts of liability on or before July 1 of each odd-numbered year.

The formula² 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. Applying that formula and the annual average of the 2016 California Consumer Price Index of 255.303,³ the adjusted liability limit as of July 1, 2019, should be \$45,000, as shown in the attached amended Appendix B.

This amendment to Appendix B will be published—as required by section 1714.1(c)—in the *California Official Reports*, as are all amendments to the California Rules of Court; it will also be published on the judicial branch (California Courts) website.

Policy implications

There are no policy implications in this statutorily mandated adjustment to the published liability limits.

¹ All further statutory references are to the Civil Code, unless otherwise indicated.

² A copy of the letter from the Department of Finance setting out the formula for the original adjustment, which has been followed since 1997, is attached as Attachment A.

³ The California Consumer Price Index is published each year by the California Department of Industrial Relations. A copy of the most recent chart is attached as Attachment B.

Comments

The proposed amendment of Appendix B is a technical amendment made in response to a statutory mandate, which has not been circulated for comment. See California Rules of Court, rule 10.22(d)(2).

Alternatives considered

None.

Fiscal and Operational Impacts

There are no court costs or operational impacts associated with this amendment of Appendix B.

Attachments

1. Cal. Rules of Court, Appendix B, at page 4
2. Attachment A: April 21, 1997 letter from Department of Finance
3. Attachment B: Consumer Price Index–California, 2018

Appendix B of the California Rules of Court is amended, effective July 1, 2019, to read:

1 **Appendix B**
2 **Liability Limits of a Parent or Guardian Having Custody and Control of a Minor**
3 **for the Torts of a Minor (Civ. Code, § 1714.1)**
4
5

6 **Formula**

7
8 Pursuant to Civil Code section 1714.1, the joint and several liability limit of a parent or
9 guardian having custody and control of a minor under subdivisions (a) and (b) for each tort
10 of the minor shall be computed and adjusted as follows:

11
12 Adjusted limit =
$$\left[\frac{\text{Current CCPI} - \text{January 1, 1995, CCPI}}{\text{January 1, 1995, CCPI} + 1} \right] \times \text{January 1, 1995, limit}$$

13
14

15
16 **Definition**

17
18 “CCPI” means the California Consumer Price Index, as established by the California
19 Department of Industrial Relations.
20

21
22 **July 1, 2017~~9~~, calculation and adjustment**
23

24 The joint and several liability of a parent or guardian having custody and control of a minor
25 under Civil Code section 1714.1, subdivision (a) or (b), effective July 1, 2017~~9~~, shall not
26 exceed ~~\$42,100~~ \$45,000 for each tort.
27

28 The calculation is as follows:
29

30
31
$$\underline{\$42,129.21} \underline{\$44,968.65} = \left[\frac{255.303 \ 272.51 - 151.5}{151.5} + 1 \right] \times \$25,000$$

32
33

34 Under section 1714.1, subdivision (c), the adjusted limit is rounded to the nearest hundred
35 dollars, so the dollar amount of the adjusted limit is rounded to ~~\$42,100~~ \$45,000.



April 21, 1997

Ms. Cara Vonk
Judicial Council of California
Administrative Office of the Courts
303 Second Street, South Tower
San Francisco, CA 94107

Dear Ms. Vonk,

The updated number calculated in accordance with Civil Code section 1714.1 subdivision c is \$25,900.00. Proper escalation procedure divides the difference of the end-of-period number and the beginning-of-period number by the beginning-of-period number. Next add one and multiply by the original number in this case \$25,000.00.

The California Consumer Price Index (CCPI) formula is established by the Department of Industrial Relations (DIR). The Department of Finance, using the DIR formula for the CCPI, calculates the January 1, 1995 CCPI as 151.5, for January 1, 1996 (154.0), and for January 1, 1997 (157.1). The calculation rests on the assumption that the figure of \$25,000.00 originates January 1, 1995 as you stated in our conversation this morning.

$$25,925.00 = \left[\frac{(157.1 - 151.5)}{151.5} + 1 \right] \times 25,000.00$$

Subdivision c requires the number to be rounded to the nearest one hundred dollars producing \$25,900.00. My phone number is (916) 322-2263 x2423; where I can be reached to answer to any questions. I have included CCPI data tables for purposes of documentation.

Sincerely

Jason Barnhart

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

OFFICE OF THE DIRECTOR - RESEARCH UNIT
P.O. Box 420603, San Francisco, California 94142

http://www.dir.ca.gov/OPRL												
CONSUMER PRICE INDEX - CALIFORNIA Los Angeles-Long Beach-Anaheim, San Francisco-Oakland-Hayward, San Diego-Carlsbad, Riverside-San Bernardino-Ontario United States City Average, 2018-2019												
All Items 1982 - 1984 = 100												
Year & Month	All Urban Consumers						Urban Wage Earners and Clerical Workers					
	California ^a	Los Angeles ^b Long Beach Anaheim	San Francisco ^b Oakland Hayward	San Diego ^b Carlsbad	Riverside ^b San Bernardino Ontario	U.S. City ^b Average	California ^a	Los Angeles ^b Long Beach Anaheim	San Francisco ^b Oakland Hayward	San Diego ^b Carlsbad	Riverside ^b San Bernardino Ontario	U.S. City ^b Average
2018 January	-	261.235	-	288.331	100.916	247.867	-	251.785	-	271.120	100.944	241.919
February	269.247	263.012	281.308	-	-	248.991	259.566	253.243	275.699	-	-	242.988
March	-	264.158	-	290.810	101.897	249.554	-	254.451	-	272.813	101.909	243.463
April	271.210	265.095	283.422	-	-	250.546	261.696	255.379	278.039	-	-	244.607
May	-	266.148	-	289.243	102.929	251.588	-	256.652	-	273.534	103.025	245.770
June	272.462	265.522	286.062	-	-	251.989	263.199	256.208	280.219	-	-	246.196
July	-	266.007	-	295.185	103.139	252.006	-	256.632	-	279.145	103.181	246.155
August	273.844	266.665	287.664	-	-	252.146	264.506	257.318	281.536	-	-	246.336
September	-	268.032	-	295.883	103.241	252.439	-	258.246	-	280.827	103.109	246.565
October	275.686	269.482	289.673	-	-	252.885	266.217	259.899	283.183	-	-	247.038
November	-	268.560	-	293.858	103.616	252.038	-	259.064	-	278.473	103.737	245.933
December	274.922	267.631	289.896	-	-	251.233	265.308	258.101	283.278	-	-	244.786
Annual Average	272.510	265.962	285.550	292.547	102.732	251.107	263.048	256.415	279.572	276.353	102.761	245.146
2019 January												
February												
March												
April												
May												
June												
July												
August												
September												
October												
November												
December												
Annual Average												

^a Weighted average of the consumer price indexes for Los Angeles-Long Beach-Anaheim, San Francisco-Oakland-Hayward, San Diego-Carlsbad, and Riverside-San Bernardino-Ontario. A conversion factor has been included for comparability of 2018 data with 2017 and prior years. Computed by the Department of Industrial Relations, Office of the Director - Research Unit from indexes issued by the U.S. Department of Labor.

^b Source: U.S. Department of Labor, Bureau of Labor Statistics. Beginning with the November 2017 data, indexes for San Diego-Carlsbad will be published bi-monthly on odd months only (January, March, May, etc.). The Riverside-San Bernardino-Ontario indexes are on a December 2017 = 100 base and will be published bi-monthly on odd months only (January, March, May, etc.).