MANAGEMENT MEMO	NUMBER: 24-03	
SUBJECT:	EFFECTIVE DATE:	
Government Claim Fee Reduction and Fee Waiver	NOVEMBER 4, 2024	
ISSUING AGENCY:	EXPIRES:	SUPERSEDES:
DEPARTMENT OF GENERAL SERVICES	11-04-2025	N/A

Purpose

The purpose of this Management Memo is to provide information relative to changes made by the legislature to the filing fee requirements for government claims. The changes will have little direct impact on state agencies; however, the Government Claims Program (GCP) is now required to accept reduced filing fees from claimants who meet certain financial criteria.

Legal Authority

Government Code section 905.2

State Administrative Manual (SAM) section 8493

Definitions

Allow Notice: An official notice the GCP issues to the claimant and the liable state agency when it determines that a claim has merit and should be paid. It states the amount of the claim settlement, authorizes the liable state agency to issue payment under the authority of Government Code section 965, and contains information and warnings as required by applicable statutes.

Claimant: A person or entity, who has filed a claim against a State of California governmental entity for money or damages.

Incarcerated Person: Persons sentenced to imprisonment in a state prison or confined in a county jail, or who are residents in a state prison.

Policy

Claims against the State of California are filed with the Department of General Services, Office of Risk and Insurance Management (ORIM) as provided in Government Code section 905.2. The claim filing process is maintained in SAM section 8493.

Effective January 1, 2024, subsection (c)(2)(A) was added to Government Code section 905.2, which provides a mechanism for claimants who make less than \$100 more than 125% of the current monthly federal poverty line, to pay reduced filing fees.

The reduced filing fee is calculated as 25% of the difference between the claimant's monthly income and 125% of the current monthly federal poverty line.

Subsection (c)(2)(B) was also added, which allows a claimant, that is an incarcerated person in a correctional facility and has more than \$100, but less than \$200, in their Trust Account within 90 days prior to the date the claim is filed, to pay reduced filing fees. The reduced filing fee for incarcerated persons is calculated as 25% of the difference between \$100 and the amount in their trust account.

The GCP ORIM 005 – Fee Waiver or Fee Reduction Request form has been updated by ORIM to comply with the new legislative changes.

Responsibilities

State Agencies:

Shall ensure the correct filing fee amount is reimbursed to the claimant, when a claim is allowed, by reconciling against the "Allow Notice" received from the GCP.

ORIM – Government Claims Program:

Issue "Allow Notice" to the claimant and the liable State Agency. The notice shall include the appropriate filing fee amount.

Resources

- ORIM Government Claims page
- <u>GCP ORIM 006 Government Claim form</u>
- <u>GCP ORIM 005 Fee Waiver or Fee Reduction Request form</u>

Contact Information

Office of Risk and Insurance Management Government Claims Program Telephone: (916) 376-5302 Email: gcinfo@dgs.ca.gov

Approval

Ana M. Lasso, Director Department of General Services