

Bill would penalize cities that lose certain lawsuits

Residents would have 6 more months to file claim

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Atlanta already faces dozens of lawsuits and potentially millions in judgments over neighborhood flooding issues and the overhaul of its aging water, sewer and stormwater systems.

Now, a Buckhead-based legislator wants to penalize Atlanta and other cities if they refuse to settle such cases and lose judgments in court.

House Bill 125, sponsored by state Rep. Edward Lindsey (R-Atlanta), creates a 25 percent penalty that would be added to any judgment levied in court against a municipality in a case involving damage to real estate. It also doubles the time for someone whose property is damaged to file their claim.

Lindsey said the bill was specifically drawn up because of Atlanta's issues but applies to all 500-plus municipalities in Georgia. Cities, he said, have too much protection today. He'd like to change the legal playing field.

"The cities have six months to fix a problem," Lindsey said. "If you don't, there ought to be a penalty. They need to stop fighting and do the right thing."

Currently, the law gives a person whose property is damaged by a city six months to file a claim. The same claim against a county or the state government can be filed within a year.

Not surprisingly, Lindsey's bill is being hammered as unfair and unreasonable by officials in Atlanta and other cities who would all face a new, potentially more dangerous legal landscape.

Atlanta City Attorney Beth Chandler said the bill is "picking on cities." She opposes both extending the time to make a claim and the 25 percent penalty.

"We take seriously our obligation to be good stewards of taxpayer dollars," Chandler said. "Penalizing us just seems unfair."

She noted the city routinely settles hundreds of claims every year, some for millions of dollars.

The Georgia Municipal Association, a confederation of more than 500 cities, also has lined up against Lindsey.

“This is punitive,” said GMA spokeswoman Amy Henderson. “It’s the taxpayers who are paying that judgment. In the end, you are putting an unnecessary burden on taxpayers.”

Trial lawyers, though, say the changes will help property owners who have been wronged by cities.

Clint Sitton and Sam Starks have won two trial judgments worth about \$3 million total against Atlanta and also settled with the city on several more claims totaling another \$5 million --- all over localized flooding issues.

Had the penalties proposed in Lindsey’s bill been in place, the plaintiffs would have received another \$750,000.

The lawyers say giving incentives to settle make local governments treat claims more seriously. They also hailed the six-month extension, adding that many folks don’t pursue a claim until the deadline to do so has passed.

“They don’t seem to fully investigate these claims,” Starks said of cities. “They hold them for a long time. Then they deny them for reasons that are bogus.”