



Office of the City Clerk

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Legislation Text

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RESOLUTION CALLING FOR A HEARING ON THE ESTABLISHMENT OF A CITY COUNCIL COMMITTEE ON LITIGATION AND RISK MANAGEMENT

WHEREAS, Every year, the City of Chicago pays millions of dollars in settlements and judgments following losses at trial, placing a significant financial burden on the City, and current and future City residents; and

WHEREAS, Between 2008-2017, the City spent a total of \$1.3 billion on expenses incurred in connection with settlements and judgments against the City; and

WHEREAS, A large number of the settlements and judgments paid out by the City arise from situations involving the Chicago Police Department; between 2004-2018, the City paid \$757 million in settlements, losses at trial, and other payouts in cases against the Chicago Police Department, including civil rights cases, car crash claims, racial discrimination complaints, and sexual harassment suits; and

WHEREAS, In calendar year 2019, the City made payments to plaintiffs in 116 of 184 settled or litigated lawsuits and claims involving allegations of civil rights violations against the Chicago Police Department or injuries due to a vehicle pursuit involving a Chicago Police Department officer; that year, the City settled 110 lawsuits and paid damages to plaintiffs after jury verdicts in six cases, paying plaintiffs a total of \$46.8 million, with \$26 million of that total paid to the six litigated cases with jury awards; and

WHEREAS, The City paid outside counsel a total of \$25.5 million for legal services to defend active, pending, and concluded federal civil rights cases in 2019 alone; as of September 2020, there were 492 pending lawsuits against the City that involve allegations of civil rights violations or injuries related to a traffic collision involving a vehicle pursuit; and

WHEREAS, Damage to private property and employee injuries also represent significant financial risk for the City and its residents; the 2021 City budget includes over \$46 million for the payment of judgments, settlements, and outside counsel related to non-public safety litigation, and \$73.5 million for the payment of workers' compensation claims, excluding such claims for the Aviation and the Public Safety Departments; and

WHEREAS, While reforms to City-wide programs have already taken place to mitigate City liabilities, including hiring the City's first ever Chief Risk Officer in June 2019 to oversee the newly created Office of Risk Management, increased transparency, public input, and oversight are needed to ensure a robust risk management program is implemented that will reduce the financial burden and toll on City resources that claims, settlements, and judgments have on the City and its residents; now, therefore

BE IT RESOLVED, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this twenty-seventh day of January, 2021, do hereby call for the Committee on Committees and Rules to convene a hearing to discuss the creation of a committee on litigation and risk management to help achieve the transparency and reforms required to reduce the financial toll that the payment of litigation costs, settlements, and judgments have on the City and its residents.

SUBMITTED BY: CHICAGO ALDERMANIC BLACK CAUCUS

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