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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 179  
135<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 179's Bill Analysis](#)

**Version:** As Reported by Senate Judiciary

**Primary Sponsors:** Reps. Mathews and Stewart

**Local Impact Statement Procedure Required:** No

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### Highlights

- The bill's tort provisions regarding vicarious liability and tolling of limitation periods may: (1) reduce the number of cases filed in courts of common pleas, (2) result in a faster disposition of such matters, or (3) result in the filing of civil actions sooner than otherwise may have been the case under current law. There is likely to be an overall net minimal annual fiscal effect on those local civil courts.
- To the extent that state and local entities are named in additional civil suits and found liable under the bill, these entities may be subject to increased litigation costs and damages.

### Detailed Analysis

#### Tolling of limitations period

The bill modifies current law by providing exceptions to the tolling of the limitations period for the commencement of certain actions (e.g., product liability, medical claims, etc.) when the person against whom a cause of action accrues is out of the state, has absconded, or conceals self, until the person comes into the state or while the person is so absconded or concealed.

To the extent that the bill's exceptions to the tolling of limitations period provisions create any fiscal effect, it would largely involve the volume of actions filed before the county courts of common pleas. By providing that the tolling of the limitations period during the defendant's absence or concealment does not apply to the statutes of repose, in which an action must be brought, it is possible that some cases may not be filed, or if filed, disposed of more quickly, because the plaintiff(s) allowed the period of limitations to expire. Such outcomes create a savings effect on court operations that is not readily measurable in terms of dollars and cents. It

is also possible that the bill's changes will result in the filing of civil actions sooner than otherwise may have been the case under current law, thus shifting the timing of the court's related casework and operating costs.

However, it may be the case that due to these provisions, the number of service attempts the court has would decrease. An injured plaintiff may have less time to bring a lawsuit against a defendant, resulting in bad service attempts and protracted litigation. The Ohio Clerk of Courts Association expects that although these changes may result in increased litigation expenses, these costs are typically covered by individual parties rather than the courts.

## **Vicarious liability**

Under the bill, if liability arises against both a principal and agent, master and servant, employer and employee, or other persons having a vicarious liability relationship, the injured party may sue either the primarily liable agent, servant, employee, or person (primarily liable person) or the secondarily liable principal, master, employer, or person (secondarily liable person), or both, if certain conditions are met.

The bill may change the manner in which a case is adjudicated in civil courts. Depending on if there is a change in the number of people named in a case, additional cases filed, or documents submitted to the courts of common pleas, the bill could create a minimal administrative workload increase for the courts where the cases are pending. However, a certain number of cases may resultantly be closed through dismissal or some cases may only name either the primary or secondarily liable agent; either scenario could create a minor cost savings for the courts. Overall, these changes made by the bill appear to be procedural, and fiscally neutral for the courts: causing neither significant expenses, revenues, nor savings for county courts of common pleas.

## **State and local entities**

State and local governmental entities who serve as parties to the types of tort actions covered by the bill, may be indirectly impacted by the changes made under the bill. The bill would allow an injured party, if liability arises against both a principal and agent, to name those they wish to involve in the suit. To the extent that state and local entities are named in additional civil suits and found liable under the bill, they may be subject to increased litigation costs and may be found responsible for damages. This could result in additional financial exposure for state and local entities, including publicly owned hospitals.