



# Ohio Legislative Service Commission

## Bill Analysis

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### H.B. 279

131st General Assembly  
(As Introduced)

**Reps.** Henne, Becker, Blessing, Hackett, Buchy, Derickson, Brenner, T. Johnson, Sears, Reineke, Boose, Burkley, Ryan, Perales, Retherford, Ginter, Ruhl, Brinkman, Romanchuk, Thompson, Terhar

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## BILL SUMMARY

- Prohibits a driver who fails to maintain proof of financial responsibility from suing to recover damages for noneconomic loss sustained as the result of an accident while operating a motor vehicle unless certain conditions are met.

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## CONTENT AND OPERATION

### Financial Responsibility Law

Ohio's Financial Responsibility Law prohibits an individual from operating a motor vehicle in Ohio without maintaining "proof of financial responsibility" continuously throughout the registration period with respect to that vehicle, or in the case of a driver who is not the owner, with respect to that driver's operation of that vehicle. "Proof of financial responsibility" is the term used to mean "proof of ability to respond in damages for liability, on account of accidents occurring subsequent to the effective date of such proof, arising out of the ownership, maintenance, or use of a motor vehicle" in specified amounts.<sup>1</sup> Most typically, financial responsibility is maintained by a motor vehicle liability insurance policy and proof is established by an identification card issued by an insurer, but financial responsibility also may be maintained by a bond or a certificate of insurance.<sup>2</sup>

Current law imposes civil penalties for failure to maintain financial responsibility as required. The civil penalties include a driver's license suspension and impoundment

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<sup>1</sup> R.C. 4509.01(K), not in the bill.

<sup>2</sup> R.C. 4509.104 and 4509.59 through 4509.65, not in the bill.

of the person's driver's license; also, the person's right to register a vehicle is suspended and the certificate of registration and license plates are impounded.<sup>3</sup>

### **No cause of action for noneconomic damages**

The bill specifies that a driver who fails to maintain proof of financial responsibility generally cannot sue to recover damages for noneconomic loss sustained as a proximate result of an accident while operating a motor vehicle.<sup>4</sup> "Noneconomic loss" means nonpecuniary harm that results from an injury, death, or loss to person that is a subject of a tort action, including pain and suffering, loss of consortium, mental anguish, and any other intangible loss.<sup>5</sup>

### **Exceptions**

The bill's prohibition does not apply (1) to an action for wrongful death<sup>6</sup> or (2) if the noneconomic loss sustained by the driver is caused by an individual who pleads guilty to or is convicted of any of the following:

- Operating a vehicle under the influence of alcohol or a drug of abuse (OVI) at the time of the accident;
- Failing to stop a motor vehicle after an accident involving the property of others in relation to the accident;
- Committing a felony at the time of the accident.<sup>7</sup>

### **Effective date**

The bill's provisions limiting recovery of damages for noneconomic loss take effect 90 days after the bill's effective date.<sup>8</sup>

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<sup>3</sup> R.C. 4509.101, not in the bill.

<sup>4</sup> R.C. 4509.105(A).

<sup>5</sup> R.C. 2307.011, not in the bill. Note – in a drafting error, the bill contains an erroneous cross-reference to R.C. 2307.01.

<sup>6</sup> Ohio Constitution, art. I, sec. 19a.

<sup>7</sup> R.C. 4509.105(B) and (C).

<sup>8</sup> Section 2.



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## HISTORY

ACTION

DATE

Introduced

06-29-15

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