
MISCELLANEOUS

Annual report on risk management reserves

- Eliminates the requirement for an annual actuarial examination and written report for the preceding calendar year to be sent to the legislative leaders reporting on the amounts reserved and disbursements made from reserves in the state's Risk Management Reserve Fund.

Public official bonding requirements

- Eliminates the requirement for the Governor's approval and for multiple sureties to assure official public office bonds for the statewide elected officials, and requires instead that only one surety authorized to do business in Ohio assure the bond in the amount stated under current law for each officer, conditioned for the faithful discharge of the duties of the respective offices.
- Removes the requirement for the Governor to approve the surety for bonds given by cabinet-level department appointees, and removes the requirement for the Governor to fix the amount of the bond, which must be not less than \$10,000.
- Allows the Department of Administrative Services to procure a schedule or blanket bond from an authorized corporate surety authorized to do business in Ohio for these appointees and any other office the Governor designates.
- Removes the current authority for the director of each department, with the Governor's approval, to require any chief of a division, or any officer or employee in the director's department, to give bond in the amount the Governor prescribes.

Retention of investment interest

- Provides that the investment earnings on the cash balance of the following funds are to be credited to the respective fund: the Job Ready Site Development Bond Service Fund, the Mental Health Facilities Improvement Fund, the Parks and Recreation Improvement Fund, the Facilities Establishment Fund, and the Coal and Research Development Fund.

Court of Claims

- Specifies, in certain actions in the Court of Claims, that there is no limitation on compensatory damages for "the actual loss of the person who is awarded the damages," and, except in wrongful death actions, limits the damages not representing that actual loss to not more than \$250,000 in favor of any one person.



- In an action described in the preceding dot point, provides that recoveries against the state are to be reduced by *benefits* or other collateral recovery (existing law), defines "benefits" and "collateral recovery," and prohibits any person from bringing a civil action under a subrogation provision in an insurance or other contract against the state with respect to those benefits.

Screening tool for high-risk youth

- Requires the Office of Health Transformation to convene a team comprised of various state departments to evaluate the feasibility of implementing a trauma screening tool for high-risk youth, and permits the Department of Youth Services to receive funds for piloting the recommended tool in detention centers.

Annual report on risk management reserves

(R.C. 9.823)

Current law creates the Risk Management Reserve Fund in the state treasury to provide insurance and self-insurance for the state. The fund, consisting of contributions from each state agency or any participating state body, must be operated on an actuarially sound basis. The Director of the Office of Risk Management is authorized to procure the services of a qualified actuarial firm for the purpose of recommending the specific amount of money that would be required to maintain adequate reserves for a given period of time.

The bill removes the current requirement for an annual actuarial examination and written report to be conducted and a written report sent to the Speaker of the House of Representatives and the President of the Senate by the end of March for the preceding calendar year. The report was to provide amounts reserved and disbursements made from the reserve, together with a written report of a competent property and casualty actuary certifying the adequacy of the rates of contribution, the sufficiency of excess insurance, and whether the amounts reserved conform to the other requirements of the law, and are computed in accordance with accepted loss reserving standards, and are fairly stated in accordance with sound loss reserving principles.

Public official bonding requirements

(R.C. 109.06, 111.02, 113.02, 117.03, and 121.11)

The bill eliminates the current requirement for the Governor's approval and for multiple sureties to assure official public office bonds for the statewide elected officials



(Attorney General, Secretary of State, Treasurer of State, and Auditor of State), and requires instead that only one surety authorized to do business in Ohio assure the bond in the amount stated under current law for each officer, conditioned for the faithful discharge of the duties of the respective offices.

The bill removes the requirement for the Governor to approve the surety for bonds of cabinet-level department appointees, and removes the requirement for the Governor to fix the amount of the bond, which must be not less than \$10,000. The bill retains the \$10,000 threshold but does not state who determines the amount.

The bill allows the Department of Administrative Services to procure a schedule or blanket bond covering those cabinet level appointees and any other officers the Governor designates from any duly authorized corporate surety authorized to do business in Ohio.

The bill removes the authority for the director of each department, with the Governor's approval, to require any chief of a division, or any officer or employee in the director's department, to give bond in the amount the Governor prescribes.

Retention of investment interest in funds

(R.C. 151.11, 154.20, 154.22, 166.03, and 1555.15)

The bill provides that the investment earnings on the cash balance in each of the following funds are to be credited to the respective fund:

- (1) Job Ready Site Development Bond Service Fund;
- (2) Mental Health Facilities Improvement Fund;
- (3) Parks and Recreation Improvement Fund;
- (4) Facilities Establishment Fund;
- (5) Coal and Research Development Fund.

Court of Claims – state waiver of immunity; recovery standards

(R.C. 2743.02)

Standards for recovery against the state

The bill provides that, notwithstanding any other provision of the Revised Code or rules of a court to the contrary, in an action against the state to recover damages for injury, death, or loss to person or property caused by an act or omission of the state



itself, of any officer or employee of the state while acting within the scope of employment or official responsibilities, or of any other person authorized to act on behalf of the state that occurred while engaged in activities at the request or direction, or for the benefit, of the state, the following apply:

(1) Punitive or exemplary damages cannot be awarded.

(2) Recoveries against the state must be reduced by the aggregate of "benefits" (the definition below includes insurance proceeds and disability awards in existing law and others added by the bill) or other "collateral recovery" (existing law and the bill defines this term) received by the claimant for the injury, death, or loss. If a claimant receives or is entitled to receive benefits or other collateral recovery, the claimant or the claimant's attorney must disclose the benefits or other collateral recovery to the court, and the court must deduct the amount of the benefits or other collateral recovery from any award against the state recovered by the claimant. No insurer or other person is entitled to bring a civil action under a subrogation provision in an insurance or other contract against the state with respect to those benefits or other collateral recovery. Nothing in this provision affects or is to be construed to limit the rights of a beneficiary under a life insurance policy or the rights of sureties under fidelity or surety bonds. The provision described in this paragraph does not apply to civil actions in the Court of Claims against a state university or college under the circumstances described in R.C. 3345.40 (damages recoverable against state university or college). The collateral benefits provisions of R.C. 3345.40(B)(2) apply under those circumstances.

(3) There cannot be any limitation on compensatory damages that represent "the actual loss of the person who is awarded the damages," as defined below. However, except in wrongful death actions, damages that arise from the same cause of action, transaction or occurrence, or series of transactions or occurrences and that do not represent the actual loss of the person who is awarded the damages must not exceed \$250,000 in favor of any one person. This limitation does not apply to court costs that are awarded to a claimant, or to interest on a judgment rendered in favor of a claimant, in an action against the state.

Definitions

The bill defines the following terms:

(1) "Benefits" includes, but is not limited to, proceeds from a policy or policies of insurance, social security benefits, veterans' benefits, unemployment compensation, workers' compensation, Medicaid benefits, Medicare benefits, and disability awards.

(2) "Collateral recovery" includes, but is not limited to, any settlements with and judgments against third parties that arise out of the same operative facts involved, and



the injury, death, or loss allegedly incurred, in the action against the state, or any other source of recovery for any such injury, death, or loss.

(3) Except as described in (4), below, "the actual loss of the person who is awarded the damages" includes all of the following:

(a) All wages, salaries, or other compensation lost by the person injured as a result of the injury, including wages, salaries, or other compensation lost as of the date of a judgment and future expected lost earnings of the injured person;

(b) All expenditures of the injured person or of another person on behalf of the injured person for medical care or treatment, rehabilitation services, or other care, treatment, services, products, or accommodations that were necessary because of the injury;

(c) All expenditures to be incurred in the future, as determined by the court, by the injured person or by another person on behalf of the injured person for medical care or treatment, rehabilitation services, or other care, treatment, services, products, or accommodations that will be necessary because of the injury;

(d) All expenditures of a person whose property was injured or destroyed or of another person on behalf of the person whose property was injured or destroyed in order to repair or replace that property;

(e) All expenditures of the injured person, of the person whose property was injured or destroyed, or of another person on behalf of either of those persons in relation to the actual preparation or presentation of the claim involved;

(f) Any other expenditures of the injured person, of the person whose property was injured or destroyed, or of another person on behalf of either of those persons that the court determines represent an actual loss experienced because of the personal or property injury or property loss.

(4) "The actual loss of the person who is awarded the damages" does not include either of the following:

(a) Any fees paid or owed to an attorney for any services rendered in relation to the personal or property injury or property loss;

(b) Any damages awarded for pain and suffering, for the loss of society, consortium, companionship, care, assistance, attention, protection, advice, guidance, counsel, instruction, training, or education of the injured person, for mental anguish, or for any other intangible loss.



Screening tool for high-risk youth

(Section 501.10)

Under the bill, the Office of Health Transformation is to convene a team comprised of the Departments of Youth Services, Medicaid, Job and Family Services, Health, and Mental Health and Addiction Services. The team is required to evaluate the feasibility of implementing a trauma screening tool for high-risk youth and issue a report that includes (1) the recommended trauma screening tool to be used to evaluate high-risk youth, (2) training in the administration of the recommended tool, (3) screening protocols, (4) the persons to whom the recommended tool should apply, and (5) the implications for treatment. The report is to be completed by December 1, 2013, and distributed to the Governor. The bill permits the Department of Youth Services to receive funds for piloting the recommended tool in detention centers.

