## As Passed by the House

## 125th General Assembly Regular Session 2003-2004

То

Am. Sub. H. B. No. 316

Representatives Wolpert, McGregor, Hughes, Reidelbach, Cirelli, Raussen, Kearns, Williams, Latta, Brinkman, Seitz, Willamowski, D. Evans, Widener, Aslanides, Buehrer, Calvert, Carmichael, Chandler, Collier, Daniels, Domenick, C. Evans, Faber, Flowers, Gibbs, Gilb, Hagan, Hollister, Niehaus, Olman, T. Patton, Reinhard, Schaffer, Schmidt, Schneider, Setzer, Sferra, G. Smith, J. Stewart, Walcher, Young

## A BILL

amend sections 9.87, 2743.01, and 2743.02 and to	1
enact sections 341.27 and 753.06 of the Revised	2
Code to provide sheriffs, deputy sheriffs,	3
municipal police officers, county and municipal	4
correctional officers, community-based	5
correctional facility officers, and halfway house	6
facility officers and counties, municipal	7
corporations, and townships in which prisoners	8
work on a work detail and that employ the officers	9
supervising the work detail with qualified	10
immunity from damages caused by outside work	11
details consisting of prisoners or adult offenders	12
imprisoned or residing in a halfway house facility	13
for nonviolent offenses who volunteer for the work	14
detail and to adopt the public duty rule for	15
lawsuits against the state in the Court of Claims	16
pursuant to which the state is generally immune	17
from liability in any civil action or proceeding	18
involving the performance or nonperformance of a	19

public duty.

officer or employee or by the attorney general.

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## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 9.87, 2743.01, and 2743.02 be	21
amended and sections 341.27 and 753.06 of the Revised Code be	22
enacted to read as follows:	23
Sec. 9.87. (A) The state, except as provided in division (B)	24
of this section, shall indemnify an officer or employee from	25
liability incurred in the performance of his official duties by	26
paying any judgment in, or amount negotiated in settlement of, any	27
civil action arising under federal law, the law of another state,	28
or the law of a foreign jurisdiction. The reasonableness of the	29
amount of any consent judgment or settlement is subject to the	30
review and approval of the attorney general and of the director,	31
administrative chief, or governing body of the employer of the	32
officer or employee who is to be indemnified. The maximum	33
aggregate amount of indemnification paid directly from state funds	34
to or on behalf of any officer or employee pursuant to this	35
division shall be one million dollars per occurrence, regardless	36
of the number of persons who suffer damage, injury, or death as a	37
result of the occurrence.	38
(B) The state shall not indemnify an officer or employee	39
under any of the following circumstances:	40
	4.1
(1) To the extent the officer or employee is covered by a	41
policy of insurance for civil liability purchased by the state;	42
(2) When the officer or employee acts manifestly outside the	43
scope of his the officer's or employee's employment or official	44
responsibilities, with malicious purpose, in bad faith, or in a	45
wanton or reckless manner, as determined by the employer of the	46

(3) For any portion of a judgment that represents punitive or	48
exemplary damages, except that this prohibition does not apply if	49
the employer of the officer or employee and the attorney general	50
determine that the acts or omissions of the officer or employee	51
were not within the terms of division (B)(2) of this section;	52
(4) For any portion of a consent judgment or settlement that	53
is unreasonable.	54
(C) The director of administrative services may purchase a	55
policy or policies of insurance on behalf of officers and	56
employees of the state from an insurer or insurers licensed to do	57
business in this state providing coverage for amounts in excess of	58
one million dollars per occurrence incurred in connection with any	59
civil action, demand, or claim against the officer or employee by	60
reason of an act or omission by the officer or employee occurring	61
in the performance of his the officer's or employee's duties and	62
not coming within the terms of division (B)(2) of this section.	63
(D) This section does not affect any of the following:	64
(1) The waiver arising under division (A) $\underline{(1)}$ of section	65
2743.02 of the Revised Code;	66
(2) Any defense that would otherwise be available in an	67
action alleging personal liability of an officer or employee;	68
(3) The operation of section 9.83 of the Revised Code.	69
(E) The indemnification of officers or employees against	70
judgments or settlements pursuant to this section shall be	71
accomplished only through the following procedure:	72
(1) If the employer of the defendant officer or employee to	73
be indemnified determines that the actions or omissions of its	74
officer or employee giving rise to the claim were not within the	75
terms of division (B)(2) of this section, an indemnity agreement	76

shall be prepared by the attorney general, specifying that the

employer will indemnify the officer or employee from a particular 78 judgment that has been rendered or a particular settlement amount 79 that has been negotiated. The agreement shall name the person or 80 entity to whom payment by the state of the judgment or settlement 81 amount will be made, and the agreement shall not be effective 82 until it is approved by the officer or employee to be indemnified, 83 the director, administrative chief, or other governing body of the 84 employer, and by the attorney general. The attorney general shall 85 approve the indemnity agreement, unless he the attorney general 86 finds that division (B) of this section prohibits the state from 87 indemnifying the officer or employee, or prohibits the state from 88 indemnifying the officer or employee for a portion of a judgment 89 or settlement and the indemnity agreement would indemnify the 90 officer or employee for all or a part of that portion. 91

- (2) The attorney general shall forward a copy of the 92 agreement to the director of budget and management. 93
- (3) Any indemnification paid shall be charged by the director
  of budget and management against available unencumbered moneys in
  the appropriations of the employer of the officer or employee to
  be indemnified. The director of budget and management shall have
  sole discretion to determine whether or not unencumbered moneys in
  a particular appropriation are available for payment of the
  indemnification.
- (4) The director of budget and management shall, upon receipt 101 of the agreement from the attorney general pursuant to division 102 (E)(2) of this section, provide for payment to the person or 103 entity named in the agreement, in the amount specified in the 104 agreement.
- (5) If the director of budget and management determines that 106 sufficient unencumbered moneys do not exist in the particular 107 appropriations to pay the indemnification, he the director shall 108 make application for payment of the indemnification out of the 109

emergency purposes account or any other appropriation for 110 emergencies or contingencies, and payment out of this account or 111 other appropriation shall be authorized if there are sufficient 112 moneys greater than the sum total of then pending emergency 113 purposes account requests, or requests for releases from the other 114 appropriation.

- (6) If sufficient moneys do not exist in the emergency 116 purposes account or any other appropriation for emergencies or 117 contingencies to pay the indemnification, the employer named in 118 the agreement shall request the general assembly to make an 119 appropriation sufficient to pay the indemnification, and no 120 payment shall be made until the appropriation has been made. The 121 employer shall make this appropriation request during the current 122 biennium and during each succeeding biennium until a sufficient 123 appropriation is made. 124
- (7) If the indemnification is to be made by an employer whose 125 funds are not handled by the director of budget and management, 126 the employer shall pay the person or entity named in the 127 agreement.

If the employer determines that sufficient unencumbered 129 moneys do not exist to pay the indemnification, the employer shall 130 make application for payment of the indemnification out of the 131 emergency purposes account or any other appropriation for 132 emergencies or contingencies, and payment out of this account or 133 other appropriation shall be authorized if there are sufficient 134 moneys greater than the sum total of then pending emergency 135 purposes account requests, or requests for releases from the other 136 appropriation. 137

If sufficient moneys do not exist in the emergency purposes 138 account or any other appropriation for emergencies or 139 contingencies to pay the indemnification, the employer named in 140 the agreement shall request the general assembly to make an 141

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appropriation sufficient to pay the indemnification, and no	142
payment shall be made until such an appropriation has been made.	143
The employer shall make this appropriation request during the	144
current biennium and during each succeeding biennium until a	145
sufficient appropriation is made.	146

(F)(1) Subject to division (F)(2) of this section, if an 147 employer or the attorney general fails to approve indemnification 148 or limits indemnification of an officer or employee of the 149 employer, the officer or employee may commence an action against 150 the employer in the court of claims pursuant to sections 2743.01 151 to 2743.20 of the Revised Code to prove that he the officer or 152 employee is entitled to indemnification pursuant to division (A) 153 of this section and that division (B) of this section does not 154 prohibit or limit his the officer's or employee's indemnification 155 and seeking either a judgment against the employer for a sum of 156 money that the officer or employee has paid to satisfy a judgment 157 or settlement or an order directing the employer to pay a judgment 158 or settlement against the officer or employee that has not been 159 satisfied. Section 109.365 of the Revised Code does not prohibit 160 any information obtained by the attorney general in his the 161 attorney general's investigation conducted pursuant to division 162 (A) of section 109.362 of the Revised Code to determine whether to 163 defend the officer or employee from being admitted as evidence in 164 any action brought pursuant to this section. 165

An action brought pursuant to division (F)(1) of this section shall be commenced no later than two years after the cause of action arising under division (F)(1) of this section accrues. A cause of action arising under this section accrues upon the entry of a money judgment against the officer or employee if the time for filing an appeal in the action lapses without the filing of an appeal, upon the conclusion of the final appeal in any action in which a money judgment is entered against the officer or employee

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if an appeal is filed in the action, or upon execution of any	174
settlement agreement requiring payment of money by the officer or	175
employee.	176
(2) Notwithstanding division $(F)(1)$ of this section, an	177
officer or employee may not commence an action against the	178
employer in the court of claims or in any other court regarding a	179
refusal of the employer or the attorney general to indemnify	180
punitive or exemplary damages pursuant to this section.	181
Sec. 341.27. (A) As used in this section:	182
(1) "County correctional facility" has the same meaning as in	183
section 341.42 of the Revised Code.	184
(2) "County correctional officer" has the same meaning as in	185
section 341.41 of the Revised Code.	186
(3) "Community-based correctional facility" means a	187
community-based correctional facility or a district	188
community-based correctional facility established pursuant to	189
sections 2301.51 to 2301.56 of the Revised Code.	190
(4) "Community-based correctional facility officer" means a	191
person who is appointed by a judicial corrections board as the	192
director or an employee of a community-based correctional facility	193
pursuant to section 2301.55 of the Revised Code.	194
(5) "Halfway house facility" means a facility, including a	195
community residential facility, licensed as a suitable facility	196
for the care and treatment of adult offenders by the division of	197
parole and community services of the department of rehabilitation	198
and correction pursuant to section 2967.14 of the Revised Code.	199
(6) "Halfway house facility officer" means a person who is	200
employed as the director or an employee of a halfway house	201
facility.	202
(B) Whenever the officer having charge of a county	203

correctional facility, a community-based correctional facility, or	204
a halfway house facility intends to have prisoners or adult	205
offenders work outside the facility on a work detail, the officer	206
shall give advance written notice or notice by electronic mail to	207
the chief executive officer of any municipal corporation and the	208
township clerk of any township in which the prisoners or adult	209
offenders will be working on the work detail of the date or dates	210
on which, and the approximate locations at which, the work will be	211
performed, the nature of the work, and the approximate number of	212
prisoners or adult offenders who will be working on the work	213
detail.	214
(C) If all the prisoners or adult offenders working on a work	215
detail administered by a county correctional facility, a	216
community-based correctional facility, or a halfway house facility	217
and outside the facility have volunteered for the work detail and	218
are imprisoned or reside in that facility for an offense other	219
than an offense of violence and if the applicable county	220
correctional officer, community-based correctional officer, or	221
halfway house facility officer complies with division (D) of this	222
section, both of the following apply:	223
(1) No sheriff, deputy sheriff, county correctional officer,	224
community-based correctional facility officer, or halfway house	225
facility officer is liable for civil damages for injury, death, or	226
loss to person or property caused or suffered by a prisoner or	227
adult offender working on the work detail unless the injury,	228
death, or loss results from malice or wanton or reckless	229
misconduct of the sheriff, deputy sheriff, county correctional	230
officer, community-based correctional facility officer, or halfway	231
house facility officer.	232
(2) The county in which the prisoners or adult offenders work	233
on the work detail and that employs the sheriff, deputy sheriff,	234
county correctional officer, community-based correctional facility	235

officer, or halfway house facility officer is not liable for civil	236
damages for injury, death, or loss to person or property caused or	237
suffered by a prisoner or adult offender working on the work	238
detail unless the injury, death, or loss results from malice or	239
wanton or reckless misconduct of the sheriff or any deputy	240
sheriff, county correctional officer, community-based correctional	241
facility officer, or halfway house facility officer.	242
(D) To qualify for the immunity described in division (C)(1)	243
of this section, a county correctional officer, a community-based	244
correctional facility officer, or a halfway house facility officer	245
shall do all of the following for each prisoner or adult offender	246
on a work detail prior to having the prisoners or adult offenders	247
of the county correctional facility, the community-based	248
correctional facility, or the halfway house facility work outside	249
the facility on a work detail:	250
(1) Determine, in good faith, that the prisoner or adult	251
offender is mentally capable of volunteering for the work detail	252
and is not subject to duress or under undue influence;	253
(2) Inform the prisoner or adult offender of the provisions	254
of this section, including notifying the prisoner or adult	255
offender that, by volunteering for the work detail, the prisoner	256
or adult offender cannot hold the sheriff, deputy sheriff, county	257
correctional officer, community-based correctional facility	258
officer, or halfway house facility officer or county liable for	259
civil damages for injury, death, or loss to person or property	260
unless the injury, death, or loss results from malice or wanton or	261
reckless misconduct of the sheriff, deputy sheriff, county	262
correctional officer, community-based correctional facility	263
officer, or halfway house facility officer;	264
(3) Obtain a written waiver, signed by the prisoner or adult	265
offender, that states that the prisoner or adult offender is	266
mentally competent to volunteer for the work detail and is not	267

subject to duress or under undue influence. A written waiver under	268
division (D)(3) of this section shall state clearly and in	269
conspicuous type that the prisoner or adult offender who signs the	270
waiver is signing it with full knowledge that, by volunteering for	271
the work detail, the prisoner or adult offender cannot hold the	272
sheriff, deputy sheriff, county correctional officer,	273
community-based correctional facility officer, or halfway house	274
facility officer or the county liable for civil damages for	275
injury, death, or loss to person or property unless the injury,	276
death, or loss results from malice or wanton or reckless	277
misconduct of the sheriff, deputy sheriff, county correctional	278
officer, community-based correctional facility officer, or halfway	279
house facility officer.	280
Sec. 753.06. (A) As used in this section:	281
(1) "Municipal correctional facility" has the same meaning as	282
in section 753.32 of the Revised Code.	283
(2) "Municipal correctional officer" has the same meaning as	284 285
in section 753.31 of the Revised Code.	285
(B) Whenever the officer having charge of a municipal	286
correctional facility intends to have prisoners work outside the	287
facility on a work detail, the officer shall give advance written	288
notice or notice by electronic mail to the chief executive officer	289
of any municipal corporation and the township clerk of any	290
township in which the prisoners will be working on the work detail	291
of the date or dates on which, and the approximate locations at	292
which, the work will be performed, the nature of the work, and the	293
approximate number of prisoners who will be working on the work	294
detail.	295
(C) If all the prisoners working on a work detail	296
administered by a municipal correctional facility and outside the	297
facility have volunteered for the work detail and are imprisoned	298

in that facility for an offense other than an offense of violence	299
and if the applicable municipal correctional officer complies with	300
division (D) of this section, both of the following apply:	301
(1) No member of the organized police department of the	302
municipal corporation and no municipal correctional officer is	303
liable for civil damages for injury, death, or loss to person or	304
property caused or suffered by a prisoner working on the work	305
detail unless the injury, death, or loss results from malice or	306
wanton or reckless misconduct of the member of the organized	307
police department of the municipal corporation or the municipal	308
correctional officer.	309
(2) A municipal corporation or township in which the	310
prisoners work on the work detail and that employs the member of	311
the organized police department or the municipal corrections	312
officer is not liable for civil damages for injury, death, or loss	313
to person or property caused or suffered by a prisoner working on	314
the work detail unless the injury results from malice or wanton or	315
reckless misconduct of the member of the organized police	316
department of the municipal corporation or a municipal	317
correctional officer.	318
(D) To qualify for the immunity described in division (C)(1)	319
of this section, a municipal correctional officer shall do all of	320
the following for each prisoner on a work detail prior to having	321
the prisoners of the municipal correctional facility work outside	322
the facility on a work detail:	323
(1) Determine, in good faith, that the prisoner is mentally	324
capable of volunteering for the work detail and is not subject to	325
duress or under undue influence;	326
(2) Inform the prisoner of the provisions of this section,	327
including notifying the prisoner that, by volunteering for the	328
work detail, the prisoner cannot hold any member of the organized	329

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filing a civil action in the court of claims results in a complete

waiver of any cause of action, based on the same act or omission,

which the filing party has against any officer or employee, as

defined in section 109.36 of the Revised Code. The waiver shall be

void if the court determines that the act or omission was

manifestly outside the scope of the officer's or employee's office

or employment or that the officer or employee acted with malicious

purpose, in bad faith, or in a wanton or reckless manner.

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(2) If a claimant proves in the court of claims that an 403 officer or employee, as defined in section 109.36 of the Revised 404 Code, would have personal liability for the officer's or 405 employee's acts or omissions but for the fact that the officer or 406 employee has personal immunity under section 9.86 of the Revised 407 Code, the state shall be held liable in the court of claims in any 408 action that is timely filed pursuant to section 2743.16 of the 409 Revised Code and that is based upon the acts or omissions. 410

(3)(a) Except as provided in division (A)(3)(b) of this

section, the state is immune from liability in any civil action or

proceeding involving the performance or nonperformance of a public
duty, including the performance or nonperformance of a public duty
that is owed by the state in relation to any action of an
individual who is committed to the custody of the state.

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(b) The state immunity provided in division (A)(3)(a) of this

section does not apply to any action of the state under

circumstances in which a special relationship can be established

between the state and an injured party. A special relationship

under this division is demonstrated if all of the following

elements exist:

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(i) An assumption by the state, by means of promises or	423
actions, of an affirmative duty to act on behalf of the party who	424
was allegedly injured;	425
(ii) Knowledge on the part of the state's agents that	426
inaction of the state could lead to harm;	427
(iii) Some form of direct contact between the state's agents	428
and the injured party;	429
(iv) The injured party's justifiable reliance on the state's	430
affirmative undertaking.	431
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(B) The state hereby waives the immunity from liability of	432
all hospitals owned or operated by one or more political	433
subdivisions and consents for them to be sued, and to have their	434
liability determined, in the court of common pleas, in accordance	435
with the same rules of law applicable to suits between private	436
parties, subject to the limitations set forth in this chapter.	437
This division is also applicable to hospitals owned or operated by	438
political subdivisions which have been determined by the supreme	439
court to be subject to suit prior to July 28, 1975.	440
(C) Any hospital, as defined in section 2305.113 of the	441
Revised Code, may purchase liability insurance covering its	442
operations and activities and its agents, employees, nurses,	443
interns, residents, staff, and members of the governing board and	444
committees, and, whether or not such insurance is purchased, may,	445
to such extent as its governing board considers appropriate,	446
indemnify or agree to indemnify and hold harmless any such person	447
against expense, including attorney's fees, damage, loss, or other	448
liability arising out of, or claimed to have arisen out of, the	449
death, disease, or injury of any person as a result of the	450
negligence, malpractice, or other action or inaction of the	451
indemnified person while acting within the scope of the	452
indemnified person's duties or engaged in activities at the	453

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request or direction, or for the benefit, of the hospital. Any	454
hospital electing to indemnify such persons, or to agree to so	455
indemnify, shall reserve such funds as are necessary, in the	456
exercise of sound and prudent actuarial judgment, to cover the	457
potential expense, fees, damage, loss, or other liability. The	458
superintendent of insurance may recommend, or, if such hospital	459
requests the superintendent to do so, the superintendent shall	460
recommend, a specific amount for any period that, in the	461
superintendent's opinion, represents such a judgment. This	462
authority is in addition to any authorization otherwise provided	463
or permitted by law.	464

- (D) Recoveries against the state shall be reduced by the aggregate of insurance proceeds, disability award, or other collateral recovery received by the claimant. This division does not apply to civil actions in the court of claims against a state university or college under the circumstances described in section 3345.40 of the Revised Code. The collateral benefits provisions of division (B)(2) of that section apply under those circumstances.
- (E) The only defendant in original actions in the court of 472 claims is the state. The state may file a third-party complaint or 473 counterclaim in any civil action, except a civil action for two 474 thousand five hundred dollars or less, that is filed in the court 475 of claims.
- (F) A civil action against an officer or employee, as defined 477 in section 109.36 of the Revised Code, that alleges that the 478 officer's or employee's conduct was manifestly outside the scope 479 of the officer's or employee's employment or official 480 responsibilities, or that the officer or employee acted with 481 malicious purpose, in bad faith, or in a wanton or reckless manner 482 shall first be filed against the state in the court of claims, 483 which has exclusive, original jurisdiction to determine, 484 initially, whether the officer or employee is entitled to personal 485

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immunity under section 9.86 of the Revised Code and whether the

courts of common pleas have jurisdiction over the civil action.

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The filing of a claim against an officer or employee under

this division tolls the running of the applicable statute of

limitations until the court of claims determines whether the

officer or employee is entitled to personal immunity under section

9.86 of the Revised Code.

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- (G) Whenever a claim lies against an officer or employee who is a member of the Ohio national guard, and the officer or 494 employee was, at the time of the act or omission complained of, 495 subject to the "Federal Tort Claims Act," 60 Stat. 842 (1946), 28 496 U.S.C. 2671, et seq., then the Federal Tort Claims Act is the 497 exclusive remedy of the claimant and the state has no liability 498 under this section.
- (H) If an inmate of a state correctional institution has a 500 claim against the state for the loss of or damage to property and 501 the amount claimed does not exceed three hundred dollars, before 502 commencing an action against the state in the court of claims, the 503 inmate shall file a claim for the loss or damage under the rules 504 adopted by the director of rehabilitation and correction pursuant 505 to this division. The inmate shall file the claim within the time 506 allowed for commencement of a civil action under section 2743.16 507 of the Revised Code. If the state admits or compromises the claim, 508 the director shall make payment from a fund designated by the 509 director for that purpose. If the state denies the claim or does 510 not compromise the claim at least sixty days prior to expiration 511 of the time allowed for commencement of a civil action based upon 512 the loss or damage under section 2743.16 of the Revised Code, the 513 inmate may commence an action in the court of claims under this 514 chapter to recover damages for the loss or damage. 515

The director of rehabilitation and correction shall adopt rules pursuant to Chapter 119. of the Revised Code to implement

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this division.	518
Section 2. That existing sections 9.87, 2743.01, and 2743.02	519
of the Revised Code are hereby repealed.	520