



Ohio Legislative Service Commission

Bill Analysis

Meredith L. Rockwell

S.B. 157

128th General Assembly
(As Introduced)

Sens. Grendell and Seitz, Patton

BILL SUMMARY

- Requires, generally, in a class action lawsuit, all unpaid moneys remaining after the distribution to the members of the class of monetary awards to be used for charitable purposes.

CONTENT AND OPERATION

Background

Under current law, a judge presiding over a class action lawsuit may distribute any residue remaining after the payment of all claims from a settlement fund in any manner the judge deems appropriate (*In re Miamisburg Train Derailment Litigation*, 92 Ohio App. 3d 304 (Second Appellate District, 1993)). Judges have ordered the residues of class action lawsuits be distributed in many different manners, and such orders have included donating the residue to charity, distributing the residue to class members for non-economic damages, and returning the residue to the defendant (see *Miamisburg, Wilson v. Southwest Airlines, Inc.*, 880 F.2d 807 (Fifth Circuit, 1989), and *Six Mexican Workers v. Arizona Citrus Growers*, 904 F.2d 1301 (Ninth Circuit, 1990)).

Distribution of unpaid moneys in class action lawsuits

Under the bill, all unpaid moneys remaining after the distribution to the members of the class of monetary awards in class actions are required to be used for charitable public purposes, insofar as such use is not inconsistent with federal law, and except as otherwise provided by court order. The bill requires that all of the unpaid moneys used for charitable purposes be distributed to charities, nonprofit organizations, and charitable programs selected in the action and approved by the court. (R.C. 2315.50(B).)

The bill applies to an action maintained as a class action in which the settlement agreement or judgment includes a monetary award, including compensatory or punitive and exemplary damages, restitution, or any other payment of money due from each defendant to the members of the class (R.C. 2315.50(A)).

HISTORY

ACTION	DATE
Introduced	07-30-09

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