



**County  
Commissioners  
Association of Ohio**

*Serving Ohio Counties Since 1880*

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**TO: House State and Local Government Committee**

**FROM: John R. Leutz, Esq., CCAO Legislative Counsel**

**SUBJECT: CCAO support for House Bill 291**

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HB 291 addresses the provision of coverage to protect a political subdivision from the fraudulent or dishonest act, including criminal conduct, of an employee. This coverage is different from the standard public entity liability policy that a local government might purchase to protect itself from employee-attributable losses, as this type of liability insurance, in general, specifically excludes losses due to criminal or fraudulent actions.

CCAO supports permitting alternatives to surety bonds in order to acquire the appropriate protection for local governments to protect them from an employee's fraudulent or dishonest acts.

The bill, as introduced, allowed a political subdivision to acquire this coverage through a policy of insurance. However, because political subdivision joint self-insurance pools do not technically offer a "policy of insurance," CCAO sought the amendment which the Committee accepted to insure that a "coverage document" issued by a pool could also be utilized to provide the coverage.

CCAO believes that obtaining surety coverage in this manner would provide administrative efficiency by not having to go out and buy individual bonds and save our counties money while obtaining similar or greater coverage limits.

CCAO asks the Committee's support for passage of HB 291.



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