



March 11, 2025

Chairman Brian Lampton  
House Insurance  
Ohio Statehouse  
1 Capitol Square  
Columbus, OH 43215

**RE: House Bill 105 – Written Proponent Testimony**

Dear Chairman Lampton:

The Ohio Manufacturers' Association (OMA) was created in 1910 with the mission to protect and grow Ohio manufacturing. Today, it has nearly 1,300 members representing the largest economic sector in the state, which contributed more than \$133 billion to Ohio's economy in 2023. According to the most recent data, nearly 700,000 Ohioans work in manufacturing, and manufacturing has the largest payroll of any Ohio economic sector.

For manufacturers to invest and grow in Ohio – and compete globally – Ohio's civil justice system must be rational, fair, and predictable. Manufacturers must be free to innovate and pursue market opportunities without fear of unreasonable exposure to costly lawsuits, while injured parties must have full recourse to appropriate measures of justice.

The OMA writes in support of House Bill 105, recognizing that H.B. 105 addresses two types of third-party litigation funding: *consumer* litigation funding (less than \$400,000) and *commercial* litigation funding (\$400,000 or more). OMA's comments herein are focused on third-party *commercial* litigation funding as the lawsuits against its members will likely attract third-party commercial litigation funders.

OMA members have historically supported legislation that provides a fair and balanced civil justice system and H.B. 105 is designed to do just that by leveling the playing field. For decades, defendants in Ohio state and federal courts have been required to disclose to plaintiffs whether insurance is available to cover all or part of a settlement or judgment. On the other hand, plaintiffs have been able to proceed in secrecy, without having to disclose if anyone else is funding (or has a financial interest in) their litigation. H.B. 105's disclosure provisions lift this veil of secrecy. Under H.B. 105, plaintiffs who are funded by a third-party *commercial* litigation financier must not only disclose that fact, but must provide their financing agreement to all other named parties "at the time a legal claim is asserted or commenced and at any time thereafter that a commercial litigation financing agreement is executed or amended." Importantly, under this clear provision, disclosure of the third-party financing agreement is mandatory and must occur at the outset of the litigation without a request from the defendant.

Additionally, plaintiffs must continue to disclose throughout the litigation process. OMA appreciates the requirement because it prevents plaintiffs from circumventing disclosure all together. In other words, if the financing agreement is executed after the commencement of litigation or is amended at any time during the litigation, these developments must be disclosed

Chairman of the Board  
**JEFFREY J. ORAVITZ**  
*CEO, Seal For Life Industries / Henkel*

President  
**RYAN AUGSBURGER**



to the defendant when they occur. There is no way around the disclosure and transparency provisions.

Litigation is costly for defendants – both financially and in terms of lost opportunity costs. The cost of litigation to defendants will only rise as third-party funders enter the picture by increasing the financial resources available to plaintiffs. At a minimum, defendants should be entitled to know whether someone unrelated to the plaintiff is funding (and likely controlling) the litigation against them. H.B. 105 does that.

The OMA appreciates the opportunity to provide proponent testimony on H.B. 105, and urges its passage.

Sincerely,

A handwritten signature in blue ink that reads 'Lindsey Short'.

Lindsey Short  
Managing Director, Advocacy and Energy Services  
The Ohio Manufacturers' Association