



OHIO CHAMBER OF COMMERCE

BEFORE THE SENATE JUDICIARY COMMITTEE PROPONENT TESTIMONY ON SENATE BILL 10

Chairman Manning, Vice Chair Reynolds, Ranking Member Hicks-Hudson, and members of the Senate Judiciary Committee, thank you for the opportunity to provide proponent testimony on substitute Senate Bill 10 (SB 10). My name is Kevin Shimp and I am an associate attorney at the law firm Dickinson Wright testifying on behalf of the Ohio Chamber of Commerce.

The Ohio Chamber supports the substitute bill to Senate Bill 10 because it brings much needed transparency to the practice of third party litigation financing. Under the substitute bill, when an insurance agreement is disclosed to other parties in accordance with the Ohio Rules of Civil Procedure, third-party litigation financing agreements over \$100,000 are presumed to also be discoverable through standard pre-trial procedures.

By requiring disclosure of any financing agreement greater than \$100,000, substitute Senate Bill 10 ensures that commercial litigation agreements are available to the courts and other parties as the lawsuit unfolds. That transparency in often high-stakes multi-million dollar lawsuits is appropriate since all parties should have access to critical information that can help value a lawsuit and determine litigation strategy. The disclosure also stops parties with a vested interest in the outcome of a lawsuit from remaining secretive to the court and other parties.

Substitute Senate Bill 10 also maintains the ban on foreign entity backed financing agreements. This important prohibition on foreign entities financing litigation in Ohio courts will prevent bad actors from other nations seeking to use the court system and discovery process to gain access to a company's trade secrets.

In closing, while more can be done to curtail the secretive nature of third-party litigation financing, the Ohio Chamber urges this committee to favorably report substitute Senate Bill 10. We also commend the efforts of this committee, its chair, and the bill sponsor for working on the substitute bill because its reforms will help preserve the integrity of Ohio's civil justice system and promote a stronger business climate in our state.