



May 13, 2020

Senator John Eklund
Chair, Ohio Senate Judiciary Committee
1 Capitol Square, 1st Floor
Columbus, OH 43215

Dear Chairman Eklund:

I am writing on behalf of our 21,000 governing members to lend our support for Senate Bill 308, legislation that will provide liability protections for small businesses across Ohio. NFIB commends Senator Matt Huffman for bringing this important bill forward.

By way of background, a typical NFIB member in Ohio employs 20 or fewer and does less than \$2 million in annual receipts. Our members come from all industry types and each of the 88 counties. We like to say if there is a type of business in operation, we count at least one as a member.

The onset of the COVID-19 pandemic has thrown Ohio's economy into an unprecedented situation. We have seen tax receipts well below projections, over one million Ohioans filing for unemployment compensation benefits, and the required closure of so many businesses putting many entrepreneurs in a dire economic situation. Unfortunately, the sad reality is some businesses will not survive. These business owners and their employees are our family, our friends, and our neighbors. We hope most will agree, no one planned for such a situation.

While many businesses were required to close, others were permitted to remain open to provide their services and products. Our healthcare workers continued delivering medical services to individuals. Foodservice providers ensured Ohioans had access to groceries and meals. Other businesses answered the call to modify their operations to produce products to assist during the pandemic. The extraordinary situation changed what was seemingly the normal course of business.

Many of our members were shuttered having no incoming revenue. Others saw their receipts take a nosedive. The Ohio Legislature took important steps through passage of House Bill 197 to help alleviate some of the pressures businesses face. We know many Ohio businesses received Paycheck Protection Program loans from the U.S. Small Business Administration. In fact, over \$60 billion in loans. However, some did not. Others chose to forego these loans due to the uncertainty surrounding their viability as an ongoing concern.

As our state begins to reopen many different industry sectors, Ohioans continue working together, keeping us moving forward. According to JobsOhio, we will see approximately 92 percent of industries able to be open by the end of May. Yet, the economic struggles will remain for so many and for some time. We have seen other states reopen their economies, in whole or part. If the observations being made thus far are similar for Ohio, there may be a slow return to previous operations. As our businesses

open their doors, we must ensure they are not swallowed under by a flood of lawsuits. At the same time, we must also protect businesses who remained open to not have the specter of litigation hanging over their heads. A recent survey conducted by the NFIB Research Center indicates 70 percent of our members are concerned about liability claim increases.

Senate Bill 308 provides certainty for our businesses as we navigate this pandemic. We want our members to open with confidence, and part of that confidence is knowing they will not be faced with unwarranted lawsuits. Our businesses value their employees and their customers. Without them there really is no business to operate. I am confident that small businesses will do everything in their power to ensure their employees and customers can operate and shop as safely as possible in their establishments. Ohio entrepreneurs have met and will respond to meet the expectations of the employees and customers alike.

Our goal is for all our members to open and resume normal operations. However, we must acknowledge the reality COVID-19 will likely be with us for some time. We can't expect our members to be subjected to litigation surrounding a virus they can't prevent. We believe Senate Bill 308 recognizes this reality and affords the appropriate protections while maintaining access to the courts for intentional, willful, or wanton misconduct.

Thank you for the opportunity to provide written comments on Senate Bill 308.

Sincerely,

A handwritten signature in black ink that reads "Christopher J. Ferruso". The signature is written in a cursive style with a long, sweeping underline.

Christopher J. Ferruso
Ohio Legislative Director