

Schneider Smeltz Spieth Bell LP

CHANGES TO OHIO'S STATUTE OF LIMITATIONS | HOUSE BILL 197

On March 27, 2020, Governor DeWine signed into law House Bill 197, which immediately tolled, retroactive to March 9, 2020, all statutes of limitation, time limitations, and deadlines in the Ohio Revised Code and the Ohio Administrative Code until the termination of the state of emergency due to the COVID-19 pandemic or July 30, 2020, whichever is sooner. Read <u>The Supreme Court of Ohio Administrative</u> <u>Actions, dated March 27, 2020.</u>

WHAT IS A STATUTE OF LIMITATION?

A statute of limitations sets a time limit for bringing a civil suit based on the date that the claim accrued. For example, for breaches of fiduciary duty, the statute of limitations is four years from the accrual date, which is when the act or omission constituting the breach actually occurs, rather than when the breach is discovered. Meanwhile, to recover for a breach of contract on a written contract, Ohio allows up to eight years from the date of breach to bring suit, while for an oral contract, up to six years. Ohio law recognizes that a cause of action under a contract accrues when the right to prosecute it begins, which is usually when the breach occurs or when the complaining party suffers actual damages.

HOW DOES THIS IMPACT YOU?

House Bill 197 tolls all statute of limitations slated to lapse between March 9, 2020 and July 30, 2020, giving the filing party until July 30, 2020 to file the claim. For example, if you have causes of action, including but not limited to breach of contract or breach of fiduciary claims and the statute of limitations would ordinarily lapse today, it can be thoroughly prepared in the coming weeks and filed on or before July 30, 2020. However, if the statute of limitations for a cause of action is slated to lapse on August 1, 2020, House Bill 197 is inapplicable and the party will still need to file the lawsuit on or before August 1, 2020. Similarly, if the statute of limitations for a cause of action lapsed on March 8, 2020, House Bill 197 is inapplicable and you do not have the extra time.

Finally, House Bill 197 does not apply to deadlines or rules in federal courts. Both the **Northern** and **Southern** Districts of Ohio have issued General Orders governing specific practice and procedure in light of the COVID-19 pandemic and public health crisis.

Should you believe you have a cause of action that needs to be filed in the immediate future, please do not hesitate to contact attorney Mark M. Mikhaiel at 216-472-2401.

We are also available via email or video conference to assist you in any way we can.

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