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Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. A. Mathews and Kishman

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SUMMARY

- Excludes a transportation network company's (TNC's) digital network and its platform to facilitate delivery network services from the Products Liability Law.
- Specifies that a TNC is not vicariously liable for harm to persons or property caused by a TNC driver under certain circumstances.
- Excludes a TNC and a TNC driver from the regulations and commercial registration pertaining to common carriers.

DETAILED ANALYSIS

Liability of a transportation network company Products liability

The bill excludes a transportation network company's (TNC's) digital network (i.e., any online-enabled application, software, website, or system) that is offered or utilized by the TNC to enable the prearrangement of rides with TNC drivers and its platform (i.e., a website or mobile application) that facilitates delivery network services, including restaurant or food delivery, from the Products Liability Law. Thus, under the bill, a malfunctioning or otherwise defective digital network or platform cannot be the basis for a product liability claim.¹

Under current law, unchanged by the bill, a product liability claim is a cause of action asserted in a civil case that seeks to recover compensatory damages from a manufacturer or supplier for a person's death, physical injury, or emotional distress or for physical damage to

¹ R.C. 2307.71(A)(12)(c). R.C 3942.01(C) and 5739.01(XXX), not in the bill.

property other than the product in question. Generally, a claim of this nature arises from any of the following:

- 1. The design, formulation, production, construction, creation, assembly, rebuilding, testing, or marketing of a product;
- 2. Any warning or instruction, or lack of warning or instruction, associated with a product;
- 3. Any failure of a product to conform to any relevant representation or warranty.²

Vicarious liability

The bill specifies that a TNC is not vicariously liable for harm to another person or property that is caused by a TNC driver if both of the following apply:

- 1. The company did not commit any criminal wrongdoing under federal or state laws with respect to the incident that gave rise to the harm caused by the TNC driver; and
- 2. The TNC has fulfilled all its legal obligations under the TNC law with respect to the TNC driver (e.g., the TNC performed all the necessary background checks).³

Vicarious liability is a doctrine holding one person or entity responsible for the wrongful actions or omissions of another person or entity. It is most commonly used to hold an employer liable for an employee's negligence or misconduct when that negligence or misconduct is committed within the scope of the employment. Under current law, a TNC driver operates on behalf of a TNC as an independent contractor, not as an employee. However, by expressly providing that a TNC is not liable for its TNC driver's actions, the TNC further avoids potential vicarious liability.⁴

Common carrier regulations

The bill clarifies that a TNC and a TNC driver are excluded from the regulations pertaining to common carriers and that a vehicle used to provide TNC services does not need to be registered as a common carrier (i.e., a person or company that transports passengers or goods for the general public for a fee). Under current law, a TNC and a TNC driver also are excluded from the regulations pertaining to a chauffeured limousine, a taxicab or vehicle for hire, and a for-hire motor carrier, and the vehicles are not required to be registered as any of those vehicles.⁵

³ R.C. 4925.04(D).

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² R.C. 2307.71(A)(13).

⁴ R.C. 2307.241(B) and R.C. 4925.10, not in the bill.

⁵ R.C. 4925.09(B).

HISTORY

Action	Date
Introduced	11-18-25

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