



## Ohio case protects political subdivisions' general immunity when facing claims for purely economic damages

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A recent Ohio case, *Greeneview Local School Dist. Bd. of Edn. v. Staffco Constr., Inc.*, 2nd Dist. No. 2016-CA-11, 2016-Ohio-7321, upheld protections for a political subdivision's general immunity under Ohio law. The case also confirmed that a trial court's decision to deny a political subdivision's general immunity can be appealed immediately.

The Greeneview Local School District hired Staffco Construction, Inc. as its general contractor for a school building construction project in 2001. However, in the years following the project, the school district experienced ongoing leaks, moisture issues and other roof problems. In March 2015, the school district filed a lawsuit against Staffco for breach of contract related to those issues. Staffco claimed the school district was negligent in scheduling inspections and properly maintaining the building and, as a result, Staffco suffered monetary damages in attempting to repair the building's issues. The school district argued that it did not owe damages to Staffco because it was protected by the general immunity given to political subdivisions. Ohio Revised Code Chapter 2744 grants general immunity from certain damages to political subdivisions, including school districts. However, the law includes a number of exceptions to that general immunity.

The trial court ruled that general immunity did not apply in this case, so the school district immediately appealed the decision. On appeal, the court confirmed that a trial court's decision to deny general immunity can be appealed immediately. The appellate court also examined whether the school district was protected by the general immunity for Ohio political subdivisions or whether an exception to that law applied. The court noted that Staffco's claims were for monetary damages only. However, the appellate court disagreed with the trial court's decision and determined that these purely economic damages were not an exception to

general immunity under the law. The court ruled that the broad immunity provided under O.R.C. 2744 is not lifted if the opposing party has suffered purely economic damages. This means monetary damages alone cannot eliminate a political subdivision's immunity to tort claims.

This decision provides additional protection for school districts and other Ohio political subdivisions facing negligence or other tort claims. The broad immunity protections under Ohio law are not lifted if the political subdivision faces claims for purely economic damages.

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