



BEFORE THE SENATE FINANCIAL INSTITUTIONS AND  
TECHNOLOGY COMMITTEE  
TESTIMONY ON SENATE BILL 249  
November 9, 2021

Good morning Chairman Wilson, Vice Chair Hottinger, Ranking member Maharath, and members of the Senate Financial Institutions and Technology Committee. My name is Tony Long, Director, Tax & Economic Policy for the Ohio Chamber of Commerce and on behalf of the members of the Ohio Chamber, I am testifying in support of Senate Bill 249.

This legislation creates a regulatory “sandbox” program for novel financial products and services in Ohio. Ohio’s law would allow it to move ahead with a dynamic, evidence-based regulatory environment to test emerging products and services as the demand for new and innovative products grows both here and around the globe. This legislation would be another sign to innovators, investors, and established firms that Ohio is creating an environment to attract and retain financial sector investment and jobs.

The legislation provides a detailed application process, gives the applicant flexibility in the testing environment including the length of time needed to prove out the new service or product. Meanwhile, the legislation gives the Superintendent of Financial Institutions the tools to supervise the process and provides consumers various protections if they choose to participate in the novel product or service demonstration. If a consumer agrees to participate the consumer receives notification about the product or services and temporary nature of such. The Superintendent can also require additional disclosures as

needed for each product or service. Consumers can file complaints with the Superintendent and the sandbox participant remains subject to the requirements of ORC 1349.19 – Private disclosure of security breach of computerized personal information data.

Once enacted, SB 249 will benefit both the participant and the regulatory agencies that monitor and supervise the sandbox. Participants can test new products and services and, with this evidenced-based model, use the results to go to market or in some cases decide which products or services need to be put on a shelf or scrapped. This new model will create more dynamic testing, lower the cost of going to market and provide Ohioans with new and innovative products that have been shaken out in a sandbox. In turn, the regulatory institutions or agencies can use the sandbox to better understand the ever-changing marketplace and determine if the existing regulatory requirements are unclear or if old rules and regulations need adjustment to better serve the public and the market.

The Ohio Chamber supports SB 249 and thanks the sponsors (Senators Wilson, Cirino and Romanchuk) for introducing this bill. The Ohio Chamber looks forward to working with this committee and the Ohio Senate to move SB 249 forward. Thank you for the opportunity to testify in support of SB 249. At this time, I will try to answer any questions you may have for me.