



**Rick Carfagna, Senior Vice President**  
**Ohio Chamber of Commerce**  
*Proponent Testimony – Senate Bill 98*  
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Good afternoon, Chairman Manning, Vice Chair Reynolds, Ranking Member Hicks-Hudson, and Members of the Senate Judiciary Committee, and thank you for the opportunity to provide testimony in support of Senate Bill 98. My name is Rick Carfagna, and I am the Senior Vice President of Government Affairs for the Ohio Chamber of Commerce.

As you may know, for 130 years the Ohio Chamber has served as the state's leading business advocate, and we represent over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

Senate Bill 98, addresses fraudulent business filings, business identity theft, and deceptive mailings. The U.S. Department of Justice reports that one out of every ten people is a victim of identity theft, with thieves increasingly targeting businesses with potentially disastrous outcomes. A Dun & Bradstreet study reinforces this, reporting a 106% increase in business identity theft in 2018 and 254% increase in 2020.

Accordingly, SB 98 creates a host of new protections across four main areas:

- 1) **Fraudulent Filings** – Under SB 98, Ohio businesses and individuals will have a process in place to report if a bad actor has formed a new business fraudulently using someone else's address or personal info or has taken over a legitimate business filing to leverage it for fraud.
- 2) **Deceptive Mailings** – SB 98 goes after the practice of misleading mailers that imitate official governmental entities and charge exorbitant amounts of money for public services that are typically free or at a very low cost.

- 3) **Limiting Reinstatements** – Some bad actors fraudulently reinstate a dormant business without having any connection to the business, and then use that business’ history and/or good credit to obtain a business loan or to apply for unclaimed funds. SB 98 limits reinstatements to two years from the date of cancellation, unless an affidavit demonstrating the accuracy of the entity is provided.
  
- 4) **Inaccurate Agent Addresses** - Fraudulent businesses frequently use false address information or a PO Box address or a commercial mailbox address to hide their identities. SB 98 requires an agent’s address to be a residential or business address and forbids the use of a PO Box or other commercial mailbox such as a UPS store.

In late March, our President and CEO Steve Stivers was proud to participate in a Statehouse press conference unveiling this legislation with both bill sponsor Senator Michael Rulli and Ohio Secretary of State Frank LaRose. As Stivers aptly summarized at that event: “The issue of business identity theft is a rising issue for our members, that makes it an issue for the Ohio Chamber. Business identity theft harms business owners, employees, investors, shareholders, and even customers with staggering consequences. If you are a small business and your identity is compromised no one presently is empowered to help you, and that’s what Senate Bill 98 will tackle.”

Mr. Chairman and members of this committee, thank you again for your consideration of SB 98 and for recognizing the importance of this legislation. We stand ready to work with all of you to pass these critical protections for Ohio’s business community, and I welcome any questions from the committee.