

## Proponent Testimony

### HB 105 Third Party Litigation Funding

Chair Lampton, Vice Chair Craig, Ranking Member Tims, and members of the House Insurance Committee. My name is Brent Phelan. I'm the President & CEO of Phelan Insurance Agency in Versailles, Ohio. Phelan Insurance is in its' 76<sup>th</sup> year helping Ohioans with insurance and risk management. I'm also an attorney with experience working on both the plaintiff side and insurance defense side. I'm appreciative of the opportunity to provide written testimony in favor of House Bill 105 and its role in reforming Third-Party Litigation Funding (TPLF) in Ohio.

Third Party Litigation Funding reform is rooted in the principle of fundamental fairness. Legal proceedings must be conducted in a manner that is just for all parties involved. Currently in Ohio, we have been seeing litigation where secret third parties are funding lawsuits and are not required to disclose this information.

I'm proud to support House Bill 105 because this legislation stands for transparency. I strongly support the element of the bill that requires disclosure for third party litigation financiers. This will simply provide a balanced and more transparent disclosure requirement as insurance carrier and insurance policy information are already required to be provided as part of the discovery process.

The consumer protection elements of House Bill 105 should also be commended. The fee disclosure and fee limits established in the substitute bill will protect consumers in a meaningful way.

House Bill 105 is a step in the right direction. I appreciate the sponsors of the legislation for bringing forward a bill that addresses the real concern of the monetization of Ohio courts. I support the passage of House Bill 105. Thank you for considering this impactful legislation.

Respectfully,

Brent Phelan, JD, CPCU, CIC, CRM, CSRM