

Opponent Testimony HB 447

Chairman Thomas, Vice Chair Swearingen, Ranking Member Synenberg and members of the House Judiciary Committee, thank you for the opportunity to provide written opponent testimony on House Bill 447.

The Ohio Insurance Agents Association (OIA) is the collective voice of over 1,000 independent agencies that employ nearly 11,000 Ohioans. We promote, progress, and protect the profession and the guidance only independent insurance agents provide. Independent insurance agents are trusted advisors to Ohio citizens and businesses and are responsible for servicing 89% of the commercial policies and 46% of the personal policies in the state. Independent agents offer many types of insurance – auto, health, home, life, and business insurance – from many different companies to match consumers with the best choices for their particular needs.

We are writing today in opposition to House Bill 447. The nature of this legislation will tear at the fabric of the insurance marketplace in our state. This legislation proposes several significant changes to the state's non-economic damage caps. Specifically, the bill seeks to raise the caps of \$250,000 or three-times economic damages with a maximum of \$350,000 per plaintiff and a maximum of \$500,000 per occurrence to a cap of \$415,000 or three-times economic damages with a maximum of \$580,000 per plaintiff and a maximum of \$830,000 per occurrence.

Increasing Ohio's non-economic damage caps by 66% will lead to an increase in insurance premiums across our state. We are fortunate that Ohio currently has a competitive and affordable insurance market compared to the rest of the country. According to Forbes, Ohio's average annual cost for full coverage of auto insurance is \$1,422 compared to a national average cost of \$2,126. Insurance in Ohio is more affordable and accessible to the average person due to our judicial environment and tort reform efforts such as legislation that established the current caps on non-economic damages.

On top of the major increase in non-economic damage caps, House Bill 447 would tie non-economic damage cap increases to Consumer Price Index (CPI). This legislation would give the Department of Taxation authority to raise non-economic damage caps based off the annual CPI. Our association struggles to see the connection between an indicator of the price of consumer goods and a cap for non-economic damages, which are speculative. We are strongly against adjusting non-economic damage caps on an annual basis and believe that decision needs to be made by the Legislature.

OIA is supportive of the removal of language that would have eliminated non-economic damage caps for certain catastrophic injuries in a medical malpractice suit. The removal of that cap would have a severe impact on our ability to retain and maintain talented physicians and our ability to keep insurance premiums affordable and attainable. The constitutionality of this cap is currently a topic that is being discussed in Ohio's court system. We would like to see the direction of the Court before action is taken on this issue.



OIA stands in opposition to this legislation and in strong alignment with the business community in preserving Ohio's non-economic damage caps. Increasing the opportunity for excessive verdicts would place significant strain on the insurance marketplace in our state.

Thank you for giving us the opportunity to write as an opponent on House Bill 447 and if you have any questions or need additional information regarding this issue, please contact me.

Sincerely,
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Sources:
[Car Insurance Rates By State For 2025 – Forbes Advisor](#)