

SENATE JUDICIARY COMMITTEE
OHIO SENATE BILL 131, OPPONENT
OCTOBER 8, 2025

Dear Chairman Manning and Members of the Committee,

On behalf of the National Association of Mutual Insurance Companies (NAMIC), I respectfully submit this letter in opposition to Senate Bill 131. NAMIC represents more than 1,300 member companies, including six of the top ten property/casualty insurers in the United States. NAMIC's membership includes local and regional mutual insurers serving communities across Ohio and the nation, as well as many of the country's largest carriers.

Senate Bill 131 proposes to modify the criteria for awarding compensatory damages for damaged vehicles and to alter an insurer's ability to recover in subrogation proceedings. We believe this legislation is both unnecessary and potentially harmful to Ohio's consumers and the broader insurance marketplace.

Concerns with SB 131

1. Ohio courts already possess the tools necessary to restore claimants to their pre-accident condition. SB 131 introduces provisions that could allow for double or even triple recoveries, creating redundancies that inflate loss costs and put upward pressure on insurance rates across the state.
2. The bill's language—such as “immediately after the damage” and “reasonable amount of time”—is ambiguous and open to interpretation. These terms fail to account for real-world delays in repairs due to supply chain disruptions, inflation, or repair shop availability—factors beyond the insurer's control.
3. SB 131 would require insurers to cover alleged losses that may not be directly attributable to the insured event. This misalignment could lead to excessive payments and undermine the principle of indemnity that underpins insurance contracts.
4. Finally, the General Assembly should prioritize legislation that strengthens Ohio's insurance market and attracts capital to support claim payments. SB 131, if implemented, threatens this stability by unnecessarily increasing litigation costs and expanding insurer liability across the state.

In conclusion, while NAMIC supports fair and efficient claims resolution for policyholders, SB 131

introduces unnecessary complexity and cost into Ohio's insurance market. We respectfully request that the committee and bill sponsor convene an interested parties meeting to discuss the potential for alternative solutions that promote affordability, clarity, and market resilience.

Sincerely,

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National Association of Mutual Insurance Companies (NAMIC)

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