



**Proponent Testimony from Carolyn Mangas on Senate Bill 64
Before the Senate Government Oversight and Reform Committee
June 9, 2021**

Chairwoman Roegner, Vice Chairman McColley and Ranking Member Craig, my name is Carolyn Mangas and I am the government affairs manager for the Ohio Insurance Agents Association (OIA). Thank you for the opportunity to testify in support of Senate Bill 64.

OIA is the collective voice of 1,200 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 85% of the commercial policies and 42% 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 help agents by providing agency valuation support, succession planning, advocacy initiatives, professional development, business solutions and industry thought leadership. We are committed to fighting the commoditization of insurance because we believe the right insurance matters.

Ohio Insurance Agents strongly supports Senate Bill 64 to establish a registration process and industry standards for roofing contractors. This legislation is greatly needed in Ohio to establish standards to protect Ohioans from exploitation, especially when a natural disaster has just occurred, and consumers are especially vulnerable. It is not uncommon for unscrupulous roofing contractors to descend upon neighborhoods after a weather-related event. When these contractors make the rounds door to door, they will tell homeowners they need their roof repaired and they will get their insurance company to pay for it. At that point, the roofers get homeowners to sign over their insurance proceeds to them. Sometimes they take the money without performing any work or will perform part of the work, and then vanish.

Senate Bill 64 contains several key provisions that will help combat problems like this. This includes a requirement that roofing contractors register with the Ohio Construction Industry Licensing Board. By doing so, consumers will gain visibility and transparency as to whether a potential contract partner is legitimate. This element of the law is a good reform that will firmly establish the identity of a roofing contractor.

Other key elements include prohibiting the assignment of claims, rights, benefits or proceeds from a consumer along with requirements for clearly written contracts and cancellation rights. A crucial component of this is that Ohio consumers will be given the right to cancel a contract within three business days after signing it or receiving written notice that an insurance claim will be fully or partly denied.

Notably, more than half of states have cracked down on storm chasers. A simple Google search of keywords such as “Ohio roofing scam” returns pages of results showing the significance of the problem we have in Ohio. Furthermore, a simple search of the word “roof” in the consumer complaints that can

be found on the Ohio Attorney General's website yields results with 1,045 companies. The bottom line: Senate Bill 64 will benefit everyone: consumers, fair and honest residential roofers and insurers.

Thank you again for the opportunity to provide testimony on this important legislation. I am happy to answer any questions.