



Senate Bill 256 Proponent Testimony
Ohio Senate Insurance Committee
Melissa Lloyd, Counsel, Nationwide Financial

November 10, 2021

Good afternoon Chairman Hackett, Vice Chair Romanchuk, Ranking Member Craig and members of the Senate Insurance Committee, thank you for the opportunity to provide testimony on behalf of Nationwide in support of Senate Bill 256. I would also like to thank the primary bill sponsors, Senator Lang and Senator Wilson, for bringing forward this important legislation to provide consumers the protections they need, expect, and value, while providing the travel insurance industry with a workable regulatory structure.

Nationwide, a Fortune 100 company based in Columbus, Ohio, is one of the largest and strongest diversified insurance and financial services organizations in the United States. Nationwide has been protecting people, businesses, and futures for more than 90 years, including being an industry leader as it relates to travel insurance.

Nationwide first entered the travel insurance market in 2005. Over the last 20+ years the travel insurance market, and Nationwide's presence as a top five carrier, has only continued to expand. Nationwide partners with major cruise lines and travel suppliers, including Carnival, Norwegian Cruise Lines, Southwest Vacations and Apple Vacation to offer consumers comprehensive travel protection

Travel insurance has not always easily fit into standard interpretations of current insurance laws. A comprehensive, uniform regulatory framework – as provided in Senate Bill 256 – will clarify and codify current law as applicable to the unique characteristics of travel insurance. This bill serves to establish a level playing field among travel insurance carriers and to provide increased consumer protections by standardizing universal rules and requirements that would be known to consumers and applicable across the industry.

This legislation establishes uniform definitions of key industry terms and allows travel insurance products to be offered in a manner that provides a seamless consumer experience and cost-saving efficiencies. It also provides a statutory scheme that regulates the travel insurance industry in a forward-looking manner by clarifying permissible sales practices, prohibiting the practice of opt-out sales, and imposes explicit consumer disclosures requirements.

Senate Bill 256 is largely based off substantially identical model laws from the National Conference of Insurance Legislations (NCOIL) and the National Association of Insurance Commissioners (NAIC). To date, seventeen other states have already adopted legislation based on these model laws, with more states certain to follow. This legislation will put Ohio in-line with other states and ensure our commitment to remaining an industry leader.

Again, thank you for your consideration to vote YES on SB 256. This legislation represents the collective efforts of the legislature, the Ohio Department of Insurance, and the insurance industry. By clarifying current law, Senate Bill 256 will allow for the regulation of the travel insurance industry in a manner that benefits consumers, empowers regulators, and ensures the marketplace operates fairly.