

## **Senators Jay Hottinger and George Lang**

Sponsor Testimony for Senate Bill 64
Senate Government Oversight and Reform Committee
March 24, 2021

## **Senator Hottinger:**

Chair Roegner, Vice Chair McColley, Ranking Member Craig, and members of the Senate Government Oversight and Reform Committee, thank you for the opportunity to provide sponsor testimony on Senate Bill 64.

This legislation aims to protect consumers from unscrupulous roofing contractors. The vast majority of roofing contractors in Ohio are reputable and do quality work. However, some unscrupulous roofers from out of state will come into areas of Ohio hit by a natural disaster or severe storm and target consumers when they are most vulnerable. These bad-actors in the roofing field will only perform part of the work or "complete" the work in a haphazard manner. For most people, their home is their most significant investment and financial asset. When unscrupulous roofers take advantage of these consumers, they place the consumer in a terrible position and expose the home to possible further damage.

We believe that SB 64 will better protect Ohioans; in fact, many states have already adopted heightened protections for consumers in roofing transactions. This proposal was introduced as SB 177 during the last General Assembly. Significant changes have been made to that initial bill with the goal of crafting legislation that provides common-sense consumer protections without overburdening roofers. In particular, I would like to emphasize that this bill does not create a licensure requirement, but instead a registration requirement.

My joint sponsor, Senator Lang, will provide you with an overview of the provisions of the bill.

## **Senator Lang:**

Thank you, Senator Hottinger, and to Chair Roegner and the members of the committee for the opportunity to testify today.

As my joint sponsor stated, Senate Bill 64 would create a registration requirement – not a licensure requirement. Under the bill, contractors would register with the Ohio Construction Industry Licensing Board.

The bill stipulates that contracts for roofing services must include a set of uniform information, including: the contractor's full name, business name, principal business address, telephone number, email address, and state registration number; a description of the contractor's insurance coverage; an itemized description of the work to be done; and the total amount agreed to be paid. A consumer may cancel the contract within three business days of signing the contract.

The bill also includes several contractor-consumer interaction provisions, such as requiring contractors to maintain workers' compensation insurance, contractor liability insurance, a surety license bond, and a list of subcontractors who have performed work during the past three years. Furthermore, a contractor is prohibited from abandoning the project or failing to perform.

Many, if not most, of these requirements are already being met by the overwhelming majority of roofing contractors who provide good quality services. Our goal is very simple: to establish essential consumer protections without impeding business. We continue to be in conversations with interested parties to ensure that the appropriate balance is met. Over half of states have enacted similar legislation, and we hope that Ohio will do the same with SB 64.

Chair Roegner, thank you again for the opportunity to provide testimony today. Senator Hottinger and I would be happy to answer any questions members of the committee may have.