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Interested Party Testimony on HB 476

Chairman Swearington, Vice Chair Santucci and Ranking Member Upchurch: I'm Marc Dann. Both as Ohio Attorney General and in private practice I've dedicated my career to protecting consumers from financial predators including "innovators" in financial services and other businesses. At my firm DannLaw we have represented hundreds of working and middle class Ohioans who have been taken advantage of by Wall street and Silicon valley innovators who put protecting consumers and customers at the bottom of their priority list.

I've had a chance to take a quick look at HB 479 at the request of some members yesterday so I apologize for the brief testimony but I wanted to submit by the deadline and I've continued to study the bill between the submission and now. There are several issues that I wanted to point out as relevant to Ohio Consumers:

1. **Disclosure:** I strongly agree with and applaud the inclusion of provisions of the bill that require disclosure to consumers that the business is operating in the regulatory sandbox. But disclosure is not enough.
2. **Unfair and Deceptive Practices:** While the bill doesn't specifically exempt participants from consumer protection statutes, I would strongly encourage the committee to consider creating a guardrail for consumers that would prohibit waiving any of the consumer protection statutes that prohibit unfair and deceptive business practices and give Ohio consumers a private right of action to seek damages from business who cheat or mislead them. These include the Ohio's Consumer Sales Practices Act, the Residential Mortgage Loan Act, The Residential Mortgage Loan Act, the Small Loan Act, and other laws regulating home solicitation, residential construction and other consumer protection provision, prepaid entertainment contracts and other.



3. **Arbitration Clauses and Class Action Waivers:** The bill should also prohibit participants from including Arbitration clauses and class action waivers in their consumer facing contracts to make sure that Ohio Consumers have access to the courts to adjudicate any disputes that they might have with those companies.
4. **Consumer Representation on Advisory Committee:** The proposed advisory committee does not include any members who are consumers or are engaged in consumer protection activities. .