OCG Bill Review — S.B. 306 (Insurance Omnibus)

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Bill Review No. 003 · RL-2026-043 · 11/15/26 · Version 1.0

Bottom line: S.B. 306 is the General Assembly's periodic insurance-code update. Its sponsor and the industry witnesses call it "boring." Its headline items fit that description: electronic signatures, anti-fraud rules for the state's assigned-risk auto plan, and new limits on body shops and tow lots that hold vehicles in insurance disputes.

The bill also changes two sets of financial-safety rules that drew almost no testimony. Ohio insurers would be permitted to hold up to 20% of their assets in medium- and lower-grade corporate bonds through a new route, and more in foreign investments. These are ceilings, not requirements, and the public record does not show how much insurers would change their holdings. Life insurers could also count reinsurance by an affiliated captive company when the captive, rather than the insurer or a trust for it, holds the supporting assets. Neither change was in the introduced bill.

The Senate passed S.B. 306 32–0 and House Insurance reported it 10–1 in June. It never reached the House floor. It was sent back to committee on November 10, with a fourth hearing set for November 17. The Ohio Auto Body Association has publicly opposed the bill, though no opponent testified. Section 7 identifies ten drafting questions; none is a finding that the bill is unlawful or that a risk will occur.

Item	Detail
Bill	Sub. S.B. 306, 136th General Assembly — "regarding changes to Ohio insurance laws and certain towed vehicles and repair shop activities"
Sponsor	Sen. George F. Lang (R-4th District); Senate cosponsors Craig, DeMora, Hicks-Hudson, Johnson, Patton, Reineke; House cosponsors Reps. Lampton and Meredith Craig
Senate action	Four Financial Institutions, Insurance and Technology hearings (Nov 4, 2025–Mar 3, 2026); substitute reported 8–0 on Mar 4; passed 32–0 on Mar 25, 2026
House action	Introduced Mar 31, 2026; three Insurance hearings; substitute reported 10–1 on Jun 9; re-referred to Rules and Reference Nov 9 and back to Insurance Nov 10 (11–0); 4th hearing Nov 17, 2026
Version reviewed	As Reported by House Insurance (identical to the version re-referred on Nov 10 and to the text posted for the Nov 17 hearing), with LSC's analysis, synopsis of House committee amendments and fiscal note (June 9, 2026)
Lame-duck flag	Yes. The bill needs House passage and Senate concurrence in the House changes before the General Assembly ends.
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1. What the bill does, in plain language

S.B. 306 touches seven areas of insurance and vehicle law. In order of likely public reach:

1. **Body shops.** A body shop may not make a customer sign a contract that interferes with an insurance policy, blocks a lawsuit or replevin action to get the car back, makes the customer pay the shop's legal fees, or bars the customer from transferring the title. Shops may not take an assignment of the customer's claim, benefits, proceeds or power of attorney. Storage charges must stop once the shop learns the car is a total loss, or once the insurer sues to recover it. The shop must give the insurer prompt access to inspect the car. A violation is a deceptive practice under the Consumer Sales Practices Act. Shops owned by car dealers are exempt.[1]
2. **Tow lots and storage.** Insurers get 45 days instead of 30 to sue a towing or storage company over a bill. "Storage facility" now covers any business that charges to store a vehicle, including body shops, but not dealer lots or salvage auctions. A tow lot may not add storage fees after the insurer retrieves the vehicle. Disputes over towing a commercial truck may now be filed in common pleas court, which can hear claims above the $15,000 limit of municipal and county courts.
3. **Assigned-risk auto plan.** The Ohio Assigned Risk Insurance Plan covers drivers who cannot buy auto insurance elsewhere. The bill lets the plan manager set conditions on coverage, demand any information needed to judge eligibility, decide eligibility at the manager's discretion, use "any form of technology" to screen applications, place applicants with any Ohio insurer, and refuse applications from an agent the manager suspects of submitting false information. The manager must report suspected fraud to the Superintendent of Insurance. Knowingly submitting false or inaccurate information to the plan becomes insurance fraud.
4. **Insurer investments.** Ohio insurers may buy corporate bonds the NAIC's Securities Valuation Office designates 3 through 6, up to 20% of admitted assets, with lower caps for the lower grades. Ohio law elsewhere defines those designations as "medium-grade" (3) and "lower-grade" (4–6). Caps on foreign investments rise from 15% to 20% of assets, and from 3% to 7% in any one country. The "anything else" investment basket rises from 5% (life) and 6% (other insurers) to 10%. These are permitted ceilings; the bill does not require insurers to buy more.
5. **Life-insurance captives.** The Superintendent of Insurance may let a special-purpose captive count as an asset something the national accounting manual does not recognize. A life insurer may take credit for reinsurance by its own captive if assets equal to the reserves are held by the captive to support the obligations. Current law requires those assets to be held by the insurer or in trust for it, as security for payment.
6. **Fee-based insurance advisers.** The Superintendent may create a license for registered investment advisers who charge a set fee for insurance advice. These advisers may sell variable life and annuity products without registering with FINRA. They must sign a supervision contract with each insurer, but are not legally the insurer's agent.
7. **Electronic signatures.** Insurers may use an electronic signature to meet any signature requirement in Ohio law, not just those in the insurance code.

[1] Ohio Legislative Service Commission, *Bill Analysis: S.B. 306, As Reported by House Insurance*, 136th General Assembly, June 9, 2026, https://www.legislature.ohio.gov/download?key=28411.

2. Provision by provision

Current law and bill descriptions are from LSC's analysis of the House Insurance version.[2] Line numbers refer to that version's text. Where LSC's fiscal note and the text differ, the table follows the text and the difference is noted in sections 6 and 8.

Topic (R.C., lines)	Current law	As Reported by House Insurance
Repair-shop contracts (1345.82(A)–(D), lines 113–132)	No specific rule	Bars contract terms that interfere with a policy, block a 4513.70 suit or replevin, shift the shop's legal fees to the customer, or bar title transfer; dealer-owned shops excluded
Assignments (1345.82(E), lines 133–136)	No specific rule	Shop or its agent may not obtain an assignment of claims, rights, benefits, power of attorney or proceeds from a consumer
Storage charges (1345.82(F), lines 137–154)	No specific rule	Storage-related charges stop on notice of total loss or when the insurer files a 4513.70 suit; fees after filing must be rescinded or refunded
Insurer access; enforcement (1345.82(G)–(H), lines 155–164)	No specific rule	Prompt insurer access, never refused during business hours; violations are deceptive acts under the CSPA
Insurer towing suits (4513.70, lines 2198–2269)	30 days to sue; storage facility = place a tow company delivers to	45 days; storage facility includes any place charging storage, except dealer lots and salvage auctions or pools; no added fees after the insurer retrieves the vehicle; release also triggered by written notice with a copy of the complaint
Commercial-vehicle towing suits (4513.71(D), lines 2306–2310)	Municipal or county court	Adds common pleas court
Assigned-risk plan (4509.70(H)(5), (7), (I), lines 2155–2197)	Manager may revoke an agent's registration for failing due diligence	Adds revocation for inaccurate applications; manager may impose conditions, demand information, decide eligibility at its discretion, use any technology, place applicants with any insurer, and refuse an agent's applications on suspicion of fraud; knowingly submitting false or inaccurate information is insurance fraud (R.C. 2913.47)
Electronic signatures (3901.046, line 165)	Covers signature requirements in the insurance laws	Covers any signature requirement in the Revised Code
Corporate bonds (3907.14(P)(4), lines 975–998; 3925.08(D)(1), lines 1427–1450)	Permitted if designated 1 or 2, or if the issuer meets a five-year no-default and earnings-coverage test	Adds bonds designated 3–6: 3–6 combined ≤ 20% of admitted assets; 4–6 ≤ 10%; 5–6 ≤ 3%; 6 ≤ 1%; below-Treasury-yield 3–6 ≤ 1%
Foreign investments (3907.14(P)(7), lines 1061–1086; 3925.08(H), lines 1571–1596)	15% aggregate; 3% per country; foreign currency 10% (life) or 15% (other), 3% per currency	20% aggregate; 7% per country; foreign currency 20% if "appropriately hedged," 10% if not; 7% per currency hedged, 3% unhedged
Unrestricted basket (3907.14(R)(1), line 1112; 3925.08(I)(1), line 1601)	5% (life); 6% (other)	10% for both
SPFCIC assets (3964.03(E), lines 1813–1851)	Superintendent may approve an alternative reserve basis, by rule, under listed conditions	Adds that the Superintendent may admit an "unimpaired asset" held by the captive or "any affiliate entity," including one the NAIC manual does not recognize; approval becomes a public document

[2] Ohio Legislative Service Commission, *Bill Analysis: S.B. 306, As Reported by House Insurance*, 136th General Assembly, June 9, 2026, https://www.legislature.ohio.gov/download?key=28411.

Topic (R.C., lines)	Current law	As Reported by House Insurance
Reinsurance credit (3964.194, lines 1999–2020)	Assets equal to reserves held by the ceding insurer or in trust for it as security; must comply with R.C. 3901.63	Assets may be held by the captive "for the purpose of supporting" the obligations, notwithstanding 3901.63; compliance with 3901.63 becomes optional ("may")
Investment adviser insurance agent (3905.01, 3905.0612, lines 282–357)	No such license	License for registered investment advisers or representatives giving fee-based insurance advice, once the Superintendent adopts rules; no FINRA registration needed for the variable life-annuity line; written supervision contract with each insurer; not the insurer's agent and need not be appointed

3. Context

How the bill grew. The introduced bill amended seven sections over 24 pages: electronic signatures, the assigned-risk plan, life-insurance captives, towing suits and body shops. At the first Senate hearing on November 4, 2025, the committee adopted a substitute adding an "unaffiliated insurance agent" license; the sponsor testified that the provision had been left out of the introduced text by mistake.[3] The investment-law changes (3906.01, 3906.08, 3907.14, 3925.08) appear in the substitute reported March 4, 2026. Neither the sponsor's November 4 testimony nor any witness testimony from November 2025 mentions them. The reported bill also broadened the title to "changes to Ohio insurance laws." The House version runs 81 pages and amends 14 sections.[4]

What the House committee changed. According to LSC's synopsis of the House Insurance amendments:[5]

- **Replaced** the Senate's "unaffiliated agent" license (self-appointed, Series 65 exam, not affiliated with an insurer) with the "investment adviser insurance agent" license, which adds a written contract with each insurer and FINRA exemption.
- **Reversed** three Senate towing provisions: the bar on added fees now starts when the insurer retrieves the vehicle, not when it files suit; the $100-a-day penalty for not releasing a vehicle is optional again rather than mandatory; and the Senate language letting insurers sue in municipal or county court "regardless of the value" was removed.
- **Added** the storage-charge stop on filing for body shops, and common pleas jurisdiction for commercial-vehicle towing suits.

When	Event
Nov 17, 2026	House Insurance 4th hearing
Nov 10, 2026	Rules and Reference re-refers the bill to Insurance, 11–0
Nov 9, 2026	Re-referred by the House
Jun 9, 2026	House Insurance reports substitute 10–1; LSC analysis, synopsis and fiscal note issued
Jun 8, 2026	House Insurance 3rd hearing
Jun 2, 2026	House Insurance 2nd hearing: four proponents
May 19, 2026	House Insurance 1st hearing, sponsor testimony
Mar 31, 2026	Introduced in the House

[3] Sen. George F. Lang, sponsor testimony on S.B. 306, Senate Financial Institutions, Insurance and Technology Committee, November 4, 2025.

[4] Ohio Senate, *S.B. 306, As Introduced*, 136th General Assembly, October 28, 2025, https://search-prod.lis.state.oh.us/api/v2/general_assembly_136/legislation/sb306/00_IN/pdf/; *Sub. S.B. 306, As Reported by the House Insurance Committee*, https://search-prod.lis.state.oh.us/api/v2/general_assembly_136/legislation/sb306/03_RH/pdf/.

[5] Ohio Legislative Service Commission, *Synopsis of House Committee Amendments: S.B. 306*, 136th General Assembly, June 9, 2026, https://www.legislature.ohio.gov/download?key=28414.

When	Event
Mar 25, 2026	Senate passes 32–0
Mar 4, 2026	Senate committee reports substitute 8–0
Mar 3, 2026	Senate 4th hearing
Feb 10, 2026	Senate 3rd hearing
Nov 18, 2025	Senate 2nd hearing: four proponents
Nov 4, 2025	Senate 1st hearing, sponsor testimony
Oct 28, 2025	Introduced

Related law. The sponsor and the Ohio Insurance Institute both cite a 2026 First District Court of Appeals decision, *Geico v. Glendale Body Shop* (2026-Ohio-899), as reading "storage facility" to include repair shops. They describe the bill's definition as consistent with it. The new bond basket uses the same grade categories that Chapter 3906 already defines as "medium-grade" and "lower-grade" and caps at 20% of admitted assets for its own purposes (R.C. 3906.01(I)–(J), 3906.08(A)(1)). Industry witnesses describe the assigned-risk changes as codifying practices in the plan's Manual of Operations, which the Department of Insurance approves.

4. Who is for and against, and why

Ten witness submissions from six sources, all in support. The sponsor testified in each chamber. Five trade associations representing insurers, agents and an insurer-funded anti-fraud group filed proponent testimony. No opponent or interested party testified in either chamber, and the Department of Insurance did not testify, though the sponsor and OII say it was consulted.[6] Reasons below are paraphrased from each witness's written testimony.

Affected parties were not contacted for comment before this release. Positions reflect the public record as of November 15, 2026. Responses received later will be added in a revised version.

On the record

Witness	Position	Provisions addressed	Stated reasons
Sen. George Lang (R), sponsor (Senate, Nov 4, 2025; House, May 19, 2026)	Sponsor	E-signatures, repair shops, towing, captives, agent license, assigned-risk plan	Regular updates keep Ohio's insurance market competitive and attractive for investment. Captive language "codifies existing permitted practice to promote transparency"; e-signature, captive and agent-license language written with ODI; towing changes made "in consultation with the towing industry." The agent license was meant to be in the introduced bill and was "mistakenly left out in drafting." In the House, said he agrees with *Geico v. Glendale Body Shop*. Both testimonies list six updates; neither mentions the investment-law changes.

[6] Ohio General Assembly, "Senate Bill 306: Committee Activity," accessed November 15, 2026, https://www.legislature.ohio.gov/legislation/136/sb306/committee.

Witness	Position	Provisions addressed	Stated reasons
Ohio Insurance Institute (Michael Farley; Senate Nov 18, House Jun 2)	Proponent	All	Towing changes made "in consultation with" towing-industry representatives. Repair-shop provisions address recurring obstacles to consumers getting cars back; CSPA language is "largely a needed clarification." Assigned-risk plan has seen a rise in fraudulent trucking applications; changes codify the plan's ODI-approved manual and let it underwrite "more like a traditional insurance company." House testimony: investment changes let insurers invest in "safe vehicles designated by the NAIC SVO" and "slightly more" in foreign companies to "achieve safe yield"; ODI "approves of this language." Captive change codifies a current ODI allowance.
National Association of Mutual Insurance Companies (Matt Overturf; Senate, House)	Proponent	E-signatures; repair shops	A routine omnibus update of the kind the industry, ODI and legislature produce every year or two.
American Property Casualty Insurance Association (Joe Roth; Senate, House)	Proponent	E-signatures, assigned-risk plan, captives, repair shops, towing	Modernizes and streamlines regulation; captive revisions allow "more flexible asset recognition and reinsurance arrangements."
National Insurance Crime Bureau (Howard Handler; Senate, Nov 17, 2025)	Proponent	Assigned-risk plan; towing	Fraud tools for the plan are standard practice. Tows can run $5,000–$10,000, and $100,000 or more for commercial vehicles, while daily storage fees accrue; supported stopping added charges once an insurer files suit, a provision the House later changed.
NAIFA-Ohio (Dan Dodd; House, Jun 2)	Proponent, adviser license	Investment adviser insurance agent	House changes are a "thoughtful compromise"; supports the written-contract requirement. Describes the license as including Series 65 requirements; the House text instead requires registration as an investment adviser or adviser representative and does not name the exam.

Public positions outside committee testimony

Organization	Position	Provisions addressed	Stated reasons
Ohio Auto Body Association (email campaign, reported Sept 2026)	Opposes "in its current form"	Assignment of benefits, storage fees, insurer access, repair contracts	Independent collision shops should get "fair and equal treatment"; asked shops to urge House members to vote no and Speaker Huffman not to advance the bill.[7]
Auto Care Association (April 2026)	Seeks amendments	Repair-shop provisions; dealer exclusion	Working with legislators for amendments that treat all repair businesses equally; noted dealerships are excluded.[8]

Neither organization filed committee testimony. Their statements are reported as statements; no figures are taken from them.

[7] "Ohio Autobody Association Concerned about SB 306 Provisions, Asks Industry to Speak Up to Legislators," *Repairer Driven News*, September 17, 2026, https://www.repairerdrivennews.com/2026/09/17/ohio-autobody-association-concerned-about-sb-306-provisions-asks-industry-to-speak-up-to-legislators/.

[8] Auto Care Association, "Auto Care State Affairs Monthly Update — April 2026," April 1, 2026, https://www.autocare.org/detail-pages/blog/aina/2026/04/01/auto-care-state-affairs-monthly-update–april-2026.

Affected interests with no public position found

Interest	Provision affecting them
Towing and storage operators	Longer filing window for insurers; release on written notice; expanded definition. OII says towing representatives were consulted; none testified.
Car dealers	Dealer-owned shops and lots exempt from both the repair-shop rules and the storage-facility definition
Life and annuity policyholders	Captive asset and reinsurance-credit changes; investment-limit changes
Ohio Department of Insurance	New rulemaking, licensing, approval and fraud-referral duties; no testimony on record
Ohio Division of Securities; investment advisers	New insurance license for fee-based advisers, with a FINRA exemption for variable products
Assigned-risk applicants and their agents	Manager discretion, information demands, technology screening, possible loss of compensation when the plan places a client elsewhere
Consumer advocates	CSPA remedies, assignment ban and assigned-risk conditions affect consumers directly

5. Pros and cons by lens

These are the arguments each camp would likely make, not documented positions and not OCG positions.

	Conservative lens	Liberal lens
Pros	Keeps Ohio's insurance code current and its premiums low. Removes "wet signature" holdovers. Fights fraud against a market of last resort and pushes risks back to the private market. Gives insurers room to earn yield. Lets fee-only advisers compete with commission sales.	Stops body shops and tow lots from holding cars hostage while fees pile up. Makes fraud against the assigned-risk plan a crime. Gives consumers access to fee-based advice instead of commission sales. Makes captive asset approvals public documents.
Cons	Uses state law to tilt private contracts and disputes toward insurers and against small businesses (body shops, tow operators), while exempting dealers. Loosens solvency rules for insurers that policyholders depend on. Gives a private plan manager open-ended discretion.	Written by and heard from industry only; no consumer, repair or towing witness. Lets insurers hold more medium- and lower-grade and foreign assets, and loosens where collateral for affiliated reinsurance must sit. Expands screening technology and discretion over high-risk, often low-income drivers. Lets advisers sell variable products without FINRA registration.
Likely split	Pro-business deregulation (investments, captives) vs. small-business and free-contract conservatives (body shops, tow operators)	Consumer protection against towing and repair practices vs. policyholder-protection and anti-surveillance concerns

Common ground in the record: every recorded vote has been unanimous or near it, with members of both parties voting yes at each stage. **Points either lens could raise:** the investment and captive changes were added by substitute and drew no testimony beyond one trade association's House statement.

6. Process record

S.B. 306 had seven hearings across both chambers and drew only supporting testimony. The two most consequential financial changes entered by substitute after the Senate's only witness hearing.

Metric	S.B. 306
Hearings	Senate FIIT: 4 (Nov 4 and 18, 2025; Feb 10 and Mar 3, 2026). House Insurance: 3 (May 19, Jun 2, Jun 8, 2026), 4th set for Nov 17
Testimony	Sponsor in each chamber; 5 proponent organizations; 10 submissions in all; 0 opponents; 0 interested parties
Growth	7 sections / 24 pages introduced; 14 sections / 81 pages as reported by House Insurance
Added by substitute	Agent license: Senate substitute adopted Nov 4, 2025, at the first hearing. Investment-law changes: first appear in the substitute reported Mar 4, 2026; all Senate testimony is dated Nov 4–18, 2025, and none mentions them. In the House, only OII's testimony addresses them; the sponsor's testimony in neither chamber does.

Metric	S.B. 306
Scope of review	Hearing counts measure public access, not depth of review. The record does not show why the investment changes were added or what review they received outside public testimony; the absence of testimony is not evidence of either. ODI's consultation is reported by the sponsor and OII, not by ODI.
Senate committee vote	8–0 (Mar 4). Yes: Blessing, Chavez, Lang, Manning, Patton, Wilson (R); DeMora, Liston (D)[9]
Senate floor vote	32–0 (Mar 25): 24 Republicans and 8 Democrats; Sen. Weinstein (D) not recorded
House committee vote	10–1 (Jun 9). Yes: Barhorst, M. Craig, Daniels, Deeter, John, Lampton, Lorenz (R); Cockley, Rader, Sweeney (D). No: King (R)
Rules and Reference	Re-referred to Insurance 11–0 (Nov 10): 7 Republicans, 4 Democrats
Floor status	Reported in June; no House floor vote in the five months since; sent back to committee in lame duck. The bill text posted for the Nov 17 hearing is unchanged from the House Insurance version; the committee's bill page listed no amendments for that hearing as of Nov 15.[10]
Fiscal note	LBO's fiscal note for the House version describes three towing provisions as they read in the Senate-passed version (filing-triggered fee stop, mandatory $100 penalty, filing "regardless of value"), and says the bill requires rules defining an admitted captive asset; the text contains no such requirement. It gives no estimate of the investment or captive changes' effect on insurer solvency.
Financial exposure	Not in the public record: no figures on Ohio-domiciled insurers' admitted assets, current holdings of SVO 3–6 bonds or foreign assets, or reserves ceded to captives. LBO reports eight licensed captive insurers. OCG did not estimate exposure.
Lame-duck or omnibus	Lame duck: yes. Omnibus: yes, seven topics under a general insurance title
Comment requests	None sent before release (2026 lame-duck reviews; see section 4)

7. Drafting issues and implementation risks

Sections 3 and 7 reflect OCG's reading of the bill text and current law. They have not been reviewed by an attorney and are not legal advice.

[9] Ohio General Assembly, "Senate Bill 306: Votes," accessed November 15, 2026, https://www.legislature.ohio.gov/legislation/136/sb306/votes.

[10] Ohio House of Representatives, "Insurance Committee: S.B. 306," accessed November 15, 2026, https://ohiohouse.gov/committees/insurance/bills/sb306.

The text raises ten drafting issues. None is rated High: each describes a gap or ambiguity, not a demonstrated conflict. Line numbers refer to the As Reported by House Insurance text. An issue describes what the text does or leaves open, not anyone's intent.

#	Issue (R.C., lines)	Type	What the text does	Interests affected	Severity
1	**Reinsurance credit without security for the ceding insurer.** 3964.194(A)–(B), lines 1999–2020	Textual	Strikes the requirement that assets backing affiliated captive reinsurance be held by the ceding insurer or "in trust on behalf of" it "as security for payment." The assets may instead be held by the captive "for the purpose of supporting" the obligations, "notwithstanding" the general credit-for-reinsurance statute (3901.63), and compliance with 3901.63 becomes optional. Assets must still equal the reserves; what changes is where they sit and whether they are held as security for the ceding insurer. The text does not say whether the ceding insurer keeps an enforceable, prior claim on assets held by the captive if the captive fails. The sponsor and OII describe the change as codifying existing ODI practice; the text does not limit it to arrangements ODI has already approved.	Life and annuity policyholders; ceding insurers; ODI	Medium
2	**Captive asset admission: no criteria in the bill.** 3964.03(E)(2)(a)(ii), lines 1818–1823	Textual	Lets the Superintendent admit an "unimpaired asset" held by the captive or "any affiliate entity," including assets the NAIC manual does not recognize. "Unimpaired" is undefined. The rulemaking requirement and reserve conditions in (E)(2)(b)–(c) cover alternative reserve bases only. LBO's fiscal note says the bill requires rules defining an admitted asset; the text does not. The Superintendent's general rulemaking authority or existing rules could supply standards, but the bill does not require them. Approvals do become public documents.	Policyholders; ODI; captives	Medium
3	**Lower-grade bond basket and undefined hedging.** 3907.14(P)(4), (P)(7), lines 975–998, 1061–1086; 3925.08(D)(1), (H), lines 1427–1450, 1571–1596	Textual	Adds a route to hold SVO 3–6 bonds up to 20% of admitted assets regardless of the issuer earnings test, and raises foreign caps. Higher foreign-currency caps apply if the currency is "appropriately hedged," a term the bill does not define, although "hedging transaction" is defined elsewhere in the investment chapters. The new 5–6 cap (3%) differs from the 5% cap in 3906.08(A)(1)(c), which applies to the same grades for a different purpose (minimum asset requirements); how the two limits, other investment limits and risk-based capital rules interact is not addressed. The limits are ceilings; actual holdings would depend on each insurer.	Policyholders; insurers; ODI	Medium

#	Issue (R.C., lines)	Type	What the text does	Interests affected	Severity
4	**Towing fee freeze starts at retrieval.** 4513.70(A)(3), lines 2222–2226	Textual	Bars added fees only "after an insurance company retrieves the vehicle," when storage would ordinarily end. It does not address fees that accrue between the insurer's filing and the vehicle's release. The Senate version stopped fees at filing, and body shops under 1345.82(F)(1)(b) must stop and refund from filing. Tow lots and body shops in the same dispute face different rules.	Vehicle owners; insurers; tow and storage operators	Medium
5	**Total-loss storage stop has no pickup deadline.** 1345.82(F)(1)(a), lines 137–146	Textual	Storage charges stop when the shop is notified, "or has otherwise determined," that the vehicle is a total loss. No deadline requires the insurer or owner to remove the vehicle, and the text does not say who bears storage cost after that point. "Otherwise determined" has no stated standard.	Body shops; owners; insurers	Medium
6	**Assignment ban is unqualified.** 1345.82(E), lines 133–136	Textual	Bars any "assignment of claims, rights, benefits, power of attorney, or proceeds" from a consumer to a shop, with no exception for an assignment the consumer chooses. It does not say whether a direction-to-pay or repair authorization counts.	Consumers; body shops; insurers	Medium
7	**Assigned-risk discretion and agent refusal.** 4509.70(I)(1)–(5), lines 2155–2193	Textual	The manager may require "any action necessary," request "any information," decide eligibility at its "discretion," use "any form of technology," and refuse an agent's applications on suspicion alone, resuming when the manager decides. Existing law gives applicants, insureds and insurers an appeal to the Superintendent; agents are not listed, and the text gives refused agents no notice, time limit or appeal. Plan records are confidential under 4509.70(G).	Applicants; agents; plan manager; ODI	Medium
8	**Fraud designation's mental state.** 4509.70(I)(6), lines 2194–2197	Legal question	Makes "knowingly submitting" "false, manufactured, manipulated, or inaccurate information" to the plan a violation of R.C. 2913.47, which is otherwise written around purpose to defraud or knowledge of facilitating a fraud. "Knowingly" carries its statutory meaning, so the question is not whether an innocent mistake is covered, but whether the person must know the information is inaccurate or only that it was submitted. 2913.47 has a first-degree misdemeanor level; its felony levels turn on the value of a claim, and the text does not say how they apply to an application.	Agents; applicants; prosecutors	Low–Medium

#	Issue (R.C., lines)	Type	What the text does	Interests affected	Severity
9	**Adviser license and federal securities rules.** 3905.0612(A)–(E), lines 282–357	Legal question	The license exists only if the Superintendent chooses to adopt rules. It waives the state FINRA-registration requirement for the variable life-annuity line, products that are also securities under federal law; a state waiver does not change federal requirements. The adviser is not the insurer's agent for sales or compensation, which leaves open which party answers to a consumer for sales conduct.	Consumers; advisers; insurers; ODI; Division of Securities	Low–Medium
10	**Dealer exemption and CSPA enforcement.** 1345.82(A)(2), (G)–(H), lines 117–164; 4513.70(D)(1)(a), lines 2263–2265	Textual	Dealer-owned shops and lots are exempt from all repair-shop rules and from the storage-facility definition; no witness addressed the exemption. The insurer-access duty runs to insurers, but CSPA remedies run to consumers and the Attorney General. "Prompt" is undefined.	Independent shops; dealers; insurers	Low–Medium

Type: *Textual* = confirmed in the bill's text. *Implementation* = depends on rules or practice not yet written. *Legal question* = depends on how a court would apply other law. **Severity:** *High* = a demonstrated conflict affecting public property, statutory rights or public money at scale. *Medium* = fraud, accountability, liability or coordination exposure the text leaves open. *Low* = administrative.

8. Open questions

1. **What captive practices has ODI already approved, and does the text go further?** How much life-insurance reserve credit is ceded to Ohio captives today? LBO reports eight licensed captive insurers but no reserve figures.
2. **How much would Ohio insurers' holdings of 3–6 bonds and foreign assets change?** Did ODI analyze the solvency effect? It did not testify.
3. **Why does the fiscal note for the House version describe the Senate's towing provisions and a captive rulemaking requirement the text does not contain?**
4. **Who pays for storage between an insurer's lawsuit and the vehicle's release at a tow lot, and after a total-loss notice at a body shop?**
5. **Why are dealer-owned shops and lots exempt?**
6. **Does the assignment ban reach a consumer's own direction to pay the shop?**
7. **What recourse does an agent have when the plan manager refuses applications on suspicion?** What data may the plan's screening technology collect?
8. **Must a person know information is inaccurate to commit the new fraud offense,** and how is its penalty level set?
9. **Who answers to a consumer for an investment adviser insurance agent's sales conduct,** and how does the FINRA waiver interact with federal securities law?
10. **Why was the bill sent back to committee after five months without a floor vote, and will a substitute or amendments be offered at the November 17 hearing?** The text posted for that hearing is unchanged.

About this review

What this is. OCG Bill Reviews are Research Center publications. They describe what a bill does, who has taken a position on it, and how it has moved through the General Assembly. Ohio Common Ground does not endorse or oppose legislation, candidates or parties. Nothing in this review is a recommendation to vote for or against this bill.

Version and date. This review covers Sub. S.B. 306 As Reported by House Insurance, as of November 15, 2026. Bills change through substitutes and amendments, so a later version may differ. Updates are posted at ohiocommonground.com.

Sources. Figures and statements of law come from primary government sources: bill text, analyses and synopses from LSC's Office of Research and Drafting, the Legislative Budget Office fiscal note, committee records and votes. News coverage is cited only for public statements, never for figures. A figure that cannot be traced to a primary source is left out.

Method. Each review follows the OCG Legislative Review Standard:

1. Plain-language summary and provision-by-provision comparison against current law.
2. Context: earlier versions, related bills, recent law and litigation.
3. Positions on the record, from committee testimony and public statements. Interests affected by a provision are listed separately; being affected is not treated as support or opposition.
4. Lens analysis: the arguments conservative and liberal observers would likely make. These are hypothetical, attributed arguments, not documented positions and not OCG positions.
5. Process record: measurable facts about hearings, testimony, timing and sponsorship.
6. Drafting issues: places where the text is ambiguous, incomplete or leaves discretion unchecked, each tied to a section and line of the bill and labeled by type. An issue describes what the text does or leaves open, not anyone's intent.
7. Open questions the public record does not yet answer.

Not legal advice. This review is not legal advice. Anyone with a legal question should contact the responsible agency (here, the Ohio Department of Insurance) or an attorney.

Corrections. Report errors through ohiocommonground.com. Corrections made before release are logged in the revision history. Substantive changes after release are issued as a new version.

Sources

Primary

- Sub. S.B. 306, As Reported by the House Insurance Committee, and As Re-Referred by House Rules and Reference (identical text)
- S.B. 306, As Introduced; As Reported by Senate FIIT; As Passed by the Senate
- LSC Bill Analysis, As Reported by House Insurance (June 9, 2026)
- LSC Synopsis of House Committee Amendments (June 9, 2026)
- LSC Substitute Bill Comparative Synopsis, House Insurance (corrected)
- LBO Fiscal Note & Local Impact Statement, As Reported by House Insurance (June 9, 2026)
- S.B. 306 committee activity, status and votes
- Written testimony, Senate FIIT (Nov 2025) and House Insurance (May–June 2026): Sen. Lang; Ohio Insurance Institute; NAMIC; APCIA; National Insurance Crime Bureau; NAIFA-Ohio, via the committee record

Statements and news (statements only; no figures taken from news)

- *Repairer Driven News*, Ohio Autobody Association and SB 306 (September 17, 2026)
- Auto Care Association, State Affairs Monthly Update (April 1, 2026)
- House Insurance Committee, S.B. 306 bill page

Revision history

Version	Date	Change
1.0	11/15/26	Initial release.