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November 15, 2022

House Financial Institutions Committee
Ohio House of Representatives
1 Capitol Square
Columbus, Ohio 43215

Dear Representative,

On behalf of the 66,125 members and supporters of the Council for Citizens Against Government Waste (CCAGW) in Ohio, I urge you to support SB 249, which passed the Senate unanimously. This legislation would create a regulatory sandbox in Ohio and allow for greater innovation and competition in the state's financial technology sector.

Regulatory sandboxes have been [established](#) in Arizona, Florida, Kentucky, Nevada, South Dakota, Utah, Vermont, West Virginia, and Wyoming and countries around the world. These innovative programs give businesses relief from burdensome regulations to “test innovative products, services, business models and delivery mechanisms.” Since the world's first regulatory sandbox was established by the United Kingdom's Financial Conduct Authority in 2015, there has [been](#) a 40 percent reduction in authorization times, and 80 percent of “successfully tested” businesses remain in operation. If Ohio cuts its red tape, the state's financial services industry will get similar relief.

SB 249 will open the door to greater innovation in Ohio by allowing pioneers to test their “novel financial product” without the burdensome restrictions that would normally create a barrier to entry. The bill's two-year sandbox period provides ample time to give consumers the opportunity to use these new products. It should also increase the number of companies willing to move to Ohio to take advantage of the less burdensome regulations and increased opportunity.

Once again, CCAGW urges you to support SB 249 to provide a win for Ohio businesses and consumers alike by increasing competition and choice through the adoption of a regulatory sandbox for financial technology.

Sincerely,

Tom Schatz