



**Dan Acton, Director of Government Affairs
Ohio Real Estate Investors Association
Proponent Testimony – HB 563
House State and Local Government Committee
March 2, 2022**

Chairman Wiggam, Vice Chair John, Ranking Member Kelly, and members of the committee. My name is Dan Acton, and I am the Director of Government Affairs for the Ohio Real Estate Investors Association (OREIA). OREIA represents 14 local associations with over 3,000 members across Ohio. My background includes more than 40 years in the property management and ownership industry. Thank you for allowing me to testify in support of House Bill 563.

We appreciate Representatives Fowler Arthur and Ferguson for introducing HB 563, which seeks to provide a uniform, statewide policy regarding local governments' ability to regulate short term rental properties. If passed, HB 563 would ensure that short-term rental properties are be subjected to the same regulations as long-term rentals.

Specifically, HB 563 seeks to eliminate adoption and enforcement of any regulation, restriction, or other resolution or ordinance that does either of the following: (1) Prohibits short-term rental properties; (2) Regulates the number, duration, or frequency of rental periods for short-term rental properties.

The short-term rental industry provides investors with additional opportunities to utilize their properties to supplement their income and offers a modern, more relaxed alternative to a standard hotel or motel.

As you know, Ohio is in the midst of a housing crisis, and short-term rentals present a modern, and accessible option to assist in solving this issue.

The current patchwork of local regulations across the state limits the ability of investors to offer short term housing options to those who may be seeking an alternative to a traditional hotel or extended-stay property. Some local governments in Ohio have placed burdensome regulations or, in some cases, outright bans on the use of short-term rental properties, thus infringing on the basic private property rights of our citizens. Certain communities have enacted moratoriums on short-term rentals, while others have implemented policies which limit the duration of short-term rentals or even require an advanced notice and list of guests be provided to the city for approval.

Short-term rentals offer opportunities to help struggling families make ends meet by renting out spare rooms and offering lodging options where alternatives are not available. Property owners are incentivized to keep up with maintenance of the property in order to provide a quality service, while also generating supplemental income. Local governments should not regulate how individuals choose to lawfully earn income using their private property. This is a fundamental tenet of freedom in the United States that must be upheld.

Limiting the use of short-term rental property is not only a violation of personal property rights—it is also harmful to Ohio’s economy and tourism industry. Particularly in Ohio, a majority of the those utilizing short-term rentals are traveling for work purposes, or are currently misplaced due to unforeseen circumstances. Short-term rentals present these travelers with more personalized alternatives to hotels or other types of extended-stay housing options. Short-term rentals also drive traffic to countless small businesses – restaurants, shops and tourist attractions across the state. By allowing local regulation of short-term rental properties, Ohio is potentially missing out on a substantial amount of tax revenue.

It is important to note that HB 563 will allow local governments to continue to regulate short-term rentals for public health, safety, and nuisance purposes. The bill seeks only to bring uniformity on the local government’s ability to regulate the terms and manner by which property owners may offer short term rentals.

The passage of HB 563 would uphold Ohioans constitutional right to rent out their property in a lawful manner if they so choose. We urge you to support this important legislation.

Mr. Chairman and members of the committee, thank you for allowing me to testify in support of HB 563. I would be happy to answer any questions you may have.