



**Vena Jones-Cox**  
**Ohio Real Estate Investors Association**  
**Testimony in Support of Amending ORC 5321.19**  
**Senate Energy & Public Utilities Committee**  
**May 31, 2022**

Chairman McColley, Vice Chair Schuring, Ranking Member Williams, and members of the Senate Energy and Public Utilities Committee. My name is Vena Jones-Cox and I serve as Executive Director of the Community of Real Estate Entrepreneurs and former president of the Ohio Real Estate Investors Association (OREIA), representing over 3,000 members across 14 local associations throughout Ohio. Thank you for allowing me to write in support of amending ORC 5321.19 to expressly preempt rent control and rent stabilization measures in Ohio.

We at OREIA support the state of Ohio taking a proactive approach to ensure that free market principles – not government-imposed restrictions – remain the method by which affordable housing is made available to those who need it most. Without preemptive action, OREIA is deeply concerned about the negative impact local rent control efforts will have on the availability of affordable rental housing in our state.

Rent control measures are ineffective and counterproductive tools that do not help the housing market or the current shortage of affordable housing—they only exacerbate the problem. Though well-intentioned, these policies universally create a ‘black market’ that puts those most in need of quality affordable housing at a serious disadvantage. Rent control is not a solution to poverty or inequality—it instead restricts the supply of housing and transfers wealth to current renters at the expense of future and market-rate renters.

Roughly 95% of our members are solopreneurs with day jobs and small real estate portfolios acquired to supplement their income. They have long been the primary source of mid- and low-income single-family rental units, and anything that makes owning, managing, and maintaining these properties more difficult or financially burdensome will only force owners to sell their properties instead of making improvements to existing properties or additional investments elsewhere.

To counteract the diminished returns on investment due to rent control policies, owners will opt to convert these rental units to condos, sell to owner-occupants, or redevelop their buildings, thus further reducing a city’s rental housing stock.

Rent control policies also do not take into account how changes in property taxes can burden housing providers with rent-controlled units. Often, a high percentage of rent goes toward paying property taxes. Increased property tax rates, coupled with artificial caps on rent, further disincentivizes development.

Furthermore, as owners will have less revenue to spend on maintenance and improvements, rent control also leads to the decay of the buildings, driving down property values. Lower assessed values for rental properties means less tax revenue for local governments and hinders their ability provide essential services.

Chapter 5321 *already* explicitly preempts local rent control measures because landlord-tenant dealings are already regulated on a statewide and comprehensive basis. This amendment **does not conflict** with municipal home rule authority guaranteed under the Ohio Constitution because Chapter 5321 readily qualifies as a general law and applies uniformly throughout the state.

To clarify the preexisting preemption on rent control under ORC 5321.19, the amendment would: (a) expand the definition of “rental agreement” to include the “amount of rent charged or paid”; (b) add definitions of “rent control” and “rent stabilization”; (c) bar “political subdivisions” from imposing rent control or rent stabilization measures; and (d) articulates the “overriding statewide interest” in a uniform approach to rent control and rent stabilization.

A problem rooted in overregulation cannot be solved with more regulations. Housing cannot become more affordable without becoming more available, and allowing local governments to enforce rent control measures will only make the problem worse. Rent control does not help the housing market, it devastates it.

For these reasons, we strongly encourage you to support this amendment for the good of all Ohio renters, and for the millions of small housing providers who serve them.