



OHIO CHAMBER OF COMMERCE

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Ohio Chamber of Commerce
Proponent Testimony – SB 104
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Chair O'Brien, Vice Chair Gavarone, Ranking Member Smith, and members of the Senate Local Government Committee, thank you for the opportunity to provide testimony in support of Senate Bill 104. My name is Matt MacLaren and I am the Director of Travel and Tourism Policy for the Ohio Chamber of Commerce. I have over 20 years of experience in the tourism industry. I have been CEO of the Ohio Hotel & Lodging Association, a Senior Vice President with the American Hotel & Lodging Association, and I served for nearly six years as Ohio state tourism director for both Governor Kasich, and Governor DeWine, before joining the Ohio Chamber of Commerce in the summer of 2023.

The Ohio Chamber is the state's leading business advocate, and we represent over 8,000 companies that do business in Ohio including many members in Ohio's travel and tourism industry. We support SB 104 because it creates a statewide regulatory and lodging tax collection framework for short term rentals (STRs) that balances the safety of a local community with the private property rights of Ohioans who want to provide lodging on a short-term rental basis.

In 2023, short term rentals increased to an over \$1 billion in economic impact in Ohio. They are now prevalent in every county in Ohio. In 2023, they helped Ohio's growing tourism industry reach a record \$56 billion in visitor spending.

Short-term rentals, like those found on platforms like Airbnb and VRBO, have become an important part of Ohio's tourism industry because they are desired by many modern travelers. They provide options to visitors traveling to areas without other lodging options. They help to drive traffic to countless small businesses including restaurants, shops and tourist attractions, especially in areas without other lodging options. They meet the needs of larger families who want full kitchens or pet friendly spaces. And, they provide lots of unique lodging options that many travelers desire.

Senate Bill 104 also recognizes the growing importance of short-term rentals to meet the transient needs of families, such as families between a home sold and a new move-in date, and the needs of an increasingly mobile workforce.

The current restrictions on STRs in some communities include outright bans that adversely impact Ohio's tourism industry and harm our small business climate. SB 104 would update Ohio's laws by creating a fair statewide regulatory framework that prevents the overregulation of hosts and provides consistency for travelers.

Senate Bill 104 also requires that all short-term rental platforms collect and remit lodging taxes through a centralized collection model. This is different from current law. Currently, in most areas of Ohio, each short term rental owner is expected to collect lodging tax from their guests, and then localities collect that lodging tax from each individual short term rental property owner. A streamlined centralized lodging tax collection law will result in a better experience for the host and the guest, and more revenue for localities and visitor bureaus. However, there are 528 different lodging tax jurisdictions in Ohio. So, a significant amount of care and consideration should be given to the short term rental platforms to get this system correct. After Tennessee implemented a centralized lodging tax collection system, Tennessee saw an increase of approximately 320 percent in the amount of lodging taxes collected from short term rentals from approximately \$42M a year to \$135M a year.

The Ohio Chamber of Commerce supports SB 104 and we respectfully ask the Committee to support this legislation. Thank you and I would be happy to answer any questions.