

Concerns with Senate Bill 104

Presented to the Local Government Committee

Beth Kotwis Carmichael | Trumbull County Tourism | March 12, 2025

Chair O'Brien, Vice Chair Gavarone, Ranking Member Smith, and Members of the Committee,

Thank you for the opportunity to express our concerns with Senate Bill 104 in its current form. I represent Trumbull County Tourism and the Ohio Association of Convention and Visitors Bureaus (OACVB), which support short-term rentals (STRs) as an important part of Ohio's travel economy. However, this bill removes critical tools that local governments need to manage STRs effectively, threatening community stability, housing availability, and tax fairness.

Are these DeFacto Hotels in Your District?

Imagine living in your home for 20 years in a quiet neighborhood—until the house next door becomes a short-term rental. At first, it's just the occasional visitor, but soon, new groups arrive every few nights. Late-night noise, overflowing trash, and congested streets become the new norm. The sense of community fades.

This isn't hypothetical—it's already happening in parts of Ohio, including Trumbull County. Without local governments' ability to manage the number, location, or management terms of STRs, investors and corporations can buy multiple homes, turning them into de facto hotels and fundamentally altering residential neighborhoods.

Under this bill, if a neighbor or constituent has an issue with a short-term rental in their neighborhood, they would have to visit Columbus or locally to visit you and share their sometimes-urgent concerns. To assist, you would need to seek changes to this legislation for their specific issue. This adds an unnecessary burden on residents and removes the ability for local governments to address these issues promptly and effectively.

Why Local Management Matters

SB 104 significantly restricts local governments from setting reasonable rules for STRs. If communities cannot determine how many STRs are allowed, where they are located, or require local oversight to prevent absentee ownership issues, what tools remain to ensure these businesses operate responsibly?

Local governments are better equipped to handle neighborhood and constituency issues related to STRs. Rather than escalating these issues to state-level offices, it's more efficient for residents to address their concerns through City Council, County Commissioners, or Township Trustees. This local approach ensures quicker resolutions and more tailored solutions for the community.

No other business enjoys a blanket exemption from local regulations. **And make no mistake, these are businesses and should be treated as such.** Restaurants, hotels, and B&Bs follow zoning, licensing, and safety laws to protect residents and visitors. STRs should not be treated differently, especially when their impact on our communities can be so disruptive.

The Housing Market Impact: STRs Reduce Housing Stock

Unchecked STR growth also reduces the availability of housing for permanent residents. The more homes converted into STRs, the fewer remain for families and workers looking to live in Ohio.

Ohio has worked hard to attract businesses and secure economic development projects. But what happens when workers move to **your district** only to find housing unaffordable or unavailable because too many homes have been turned into short-term rentals?

Research shows that STR expansion has driven up rents by 20% and contributed to 14% of home price increases in some markets. Ohio risks facing additional affordability challenges without local management, making it harder for young professionals, families, and businesses to thrive.

STRs Should Participate Fairly in Our Communities

Every STR should pay the same lodging and sales taxes as hotels. These taxes fund essential public services, infrastructure, and tourism promotion—critical investments that benefit both residents and visitors. With Ohio already facing **budgetary challenges**, allowing STRs to bypass these tax responsibilities leaves millions in uncollected revenue—money that should be reinvested in **your communities** for schools, roads, emergency services, and workforce development.

If STRs want to operate as businesses in Ohio's tourism economy, they must also **pay their fair share—just like every other lodging provider.** At a time when local and state budgets are stretched, we cannot afford to leave this revenue on the table.

STRs Are a Business—They Should Be Treated Like One

STR owners argue they face expenses like property repairs, replacing furniture, handling disruptive guests, and paying lodging taxes. But these are simply the “costs of doing business”—just like other accommodations, which comply with local regulations. STRs should not be given an unfair advantage over traditional lodging providers.

A Balanced Approach

We support STRs in Ohio’s travel economy but believe local governments must have the flexibility to manage them in ways that protect housing availability, neighborhood stability, and fairness. Ohio cannot afford to overlook these issues or wait until problems escalate.

I urge you to reconsider the broad restrictions in SB 104 and **protect local administration to ensure STRs remain a benefit—not a burden—to your districts.** Thank you for your time, and I welcome any questions.