Ohio Senate Local Government Committee

Opponent Testimony on Senate Bill 104
Austin Davis
Senior Policy Advisor
City of Cleveland

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Chair O'Brien, Vice Chair Gavarone, Ranking Member Smith, and members of the Ohio Senate Local Government Committee – on behalf of the City of Cleveland, thank you for this opportunity to submit written opponent testimony on Senate Bill 104.

On principle, the City of Cleveland opposes this legislation because it conflicts with home rule authority, which allows municipalities to craft policies tailored to their specific community needs, rather than being subjected to a one-size-fits-all approach. In fact, an analysis on Senate Bill 104 written by the Ohio Legislative Service Commission recognizes the potential conflict, stating:

Municipal corporations (i.e., cities and villages), charter counties, and limited home rule townships are likely permitted to regulate short-term rental properties under their existing police powers. The bill limits rather than expands the regulatory authority of those local governments. Since municipal home rule authority is granted by the Ohio Constitution, the bill's limitations could be challenged.

Beyond infringement upon home rule authority, the legislation is extremely problematic by setting a \$20 limitation on licensing or registration fees. First, cities use software tools to scan online platforms to identify unregistered or non-compliant short-term rentals – a process that helps governments track and regulate these properties. And second, once the rentals are identified, additional work is necessary to ensure compliance with local regulations. Put simply, licensing fees should be set to cover the cost of enforcement tools in order for cities to manage short-term rental regulations effectively.

Given the concerns outlined in this testimony, the City of Cleveland would respectfully request the Ohio Senate Local Government Committee oppose passage of Senate Bill 104 in its current form.

Thank you for your consideration.