



OHIO HOTEL & LODGING ASSOCIATION
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Testimony to the Senate Local Government Committee for S.B. 104 - March 12, 2025

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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 as an Interested Party regarding Senate Bill 104 on behalf of the Ohio Hotel & Lodging Association (OHLA) and the tens of thousands of hotel owners, operators, managers, and employees we represent across the state, as well as hundreds of companies that make brick-and-mortar investments and provide jobs in Ohio communities

Our industry and our organization include lodging businesses of all sizes, from the largest hotels to unique properties that are part of the short-term rental market. We appreciate the General Assembly's attention to this growing part of our state's travel economy and the potential impact on local communities. **We have consistently advocated for a level playing field for taxation of any form of transient accommodations.**

At this time, OHLA is an Interested Party on SB 104, although we have identified areas of concern with the bill that merit further discussion. Specifically, we are closely evaluating the bill's approach to taxation and the definition of taxable lodging establishments. The bill's current language does not address the need to align taxation policies to ensure a level playing field between traditional lodging providers and short-term rental operators. **The failure to apply sales tax uniformly could create market imbalances and reduce critical revenue streams for local governments.**

Additionally, OHLA remains concerned about the threshold for taxation based on the number of rooms. Under existing law, a hotel is defined as an establishment with five or more rooms – while local political subdivisions can pass ordinances/resolutions to take this collection down to one room. **We believe this definition should be adjusted at the state level to include one or more rooms for the purposes of taxation, ensuring clarity, fairness and consistency in the application of lodging taxes.**

We are also monitoring forthcoming legislation which may contain provisions which provide an alternative framework to ensure the necessary parity and protections for local jurisdictions. We believe it will be necessary and prudent to conduct a comparative review of the two approaches and finalize our position accordingly.

We appreciate the committee's willingness to engage with stakeholders on this matter and look forward to further discussions soon to ensure that any legislative action appropriately balances the rights of property owners, the interests of the lodging industry, and the fiscal needs of local communities.

Thank you for your time and consideration.


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