

**Opponent Testimony of
Andrew W. Herf, Executive Director
Ohio Association of Convention and Visitor Bureaus
on Senate Bill 104 before the
Ohio Senate Local Government Committee
March 12, 2025**

Chair O'Brien, Vice Chair Gavarone, Ranking Member Smith and members of the Senate Local Government Committee, thank you for the opportunity to testify in opposition to Senate Bill 104.

My name is Andy Herf, and I serve as the Executive Director of the Ohio Association of Convention and Visitor Bureaus (OACVB). Convention and visitor bureaus (CVBs) are local destination marketing organizations that promote travel and tourism throughout the local city, county or region in which they operate. CVBs can be large or small depending on the region they represent. They can promote anything from the cabins and hiking in Hocking County to The Wilds in Muskingum County to promoting youth sports tournaments in Springfield. CVBs play a critical role in the visitor experience, serving as planning resources beyond attractions including lodging, dining, and nightlife.

When CVBs successfully promote a county or a region, visitors spend money on the local economy, and they often stay in hotels. When a visitor stays in a hotel, that person pays a lodging tax. The lodging tax may be levied at the county or city level, and some jurisdictions have both. The tax generates revenue for cities, townships, and municipalities as well as for the local CVB to operate. In other words, the effectiveness of a CVB is directly tied to – and dependent upon – their ability to market the region. If they do a good job, then more visitors will come to Ohio. More visitors equals more overnight stays and, in turn, an increase in their budget. CVBs grow the pie.

There are two separate components to Senate Bill 104—regulation and taxation.

With regard to the regulation, CVBs across Ohio oppose the evisceration of local government authority concerning short-term rental properties (STRs). The bill prohibits a local jurisdiction from adopting regulations that do any of the following:

- Restrict STRs, such as outright prohibitions;
- Create lottery systems for registration;
- Utilize zoning to limit STRs to a specific area;
- Restrict the number of STRs an individual may operate;
- Require STR owners live on the property; and
- Impose registration fees above \$20.

While others representing local governments will testify today, I would simply point out that if the above mechanisms are taken away, then how can a jurisdiction regulate STRs? Local governments are simply using the legislative tools they deem appropriate to protect *their* communities.

The second issue addressed in this bill is the collection and remittance of lodging taxes on transactions made by STRs. And while we applaud the inclusion of this language in the bill, we also believe that STRs should collect and remit sales tax as well. This would STRs on equal footing with local hotels in the region and create a fair and equitable taxation structure in the State of Ohio.

To be clear, CVBs do not oppose STRs as a lodging option for visitors, nor would they receive any of the proceeds collected from the sales tax. But as more businesses operating under the STR

model enter the market, the more distorted it becomes in their favor despite both models engaging in the same taxable activities. Therefore, we believe STRs in Ohio should be treated the same as their hotel counterparts.

Finally, as I stand here today in opposition, I would like to thank Senator Brenner for taking time to discuss this bill, as he recently addressed a large group of CVB members from across the state. We hope there is an opportunity to find common ground and look forward to working with the legislature as well as other tourism industry partners on a comprehensive bill that addresses the broader issues associated with STRs in Ohio.

Thank you again for the opportunity to testify today, I am happy to answer questions the committee may have at this time.