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House State & Local Government Committee Interested Party Testimony, House Bill 563 Jason Warner – Director of Strategic Engagement, Greater Ohio Policy Center Tuesday, May 10, 2022

Chair Wiggam, Ranking Member Kelly and members of the House State and Local Government Committee, thank you for the opportunity to share Interested Party Testimony regarding House Bill 563.

Greater Ohio Policy Center (GOPC) is a statewide non-profit organization that champions revitalization and sustainable growth in Ohio's cities and metros. GOPC is highly respected for its data-driven, nonpartisan policy analysis, research expertise, and policy development, and regularly provides expert analyses to public, private and nonprofit leaders at the local, state and national level. Our mission is to improve the communities of Ohio through smart growth strategies and research for a revitalized Ohio.

House Bill 563 seeks to preempt local control and prevent local governments from regulating or the use of short-term rental properties. Enactment of House Bill 563 make it impossible for local officials, responding to the will of their constituents, to enact regulations for the limit the number, duration, or frequency of rental periods. In short, the bill would overrule municipal and township zoning regulations while at the same time, undermining the Home Rule authority of communities across Ohio.

Opponents of House Bill 563 have raised important and legitimate points that GOPC believes should instead by added to the legislation to better regulate this emerging industry. GOPC supports the recommendation that the legislature clarify the impact of Ohio's lodging tax and ensure that, as lodging facilities the same as any hotel or rental property (such as a beach house or cabin), the tax can and should be applied to these properties. At the same time, if the state wanted to be helpful to communities, rather than banning short-term rental registries, the state should seek to set minimum standards for registries, while at the same time permitting local governments to set standards that meet or exceed these standards. As had been noted, these may be necessary in order to ensure that lodging taxes can and should be applied.

Thank you for your consideration of our thoughts regarding House Bill 563.

Best regards,

Jason Warner Director of Strategic Engagement Greater Ohio Policy Center