

## OHLA supports industry positions on short-term online rentals

As regularly reported in our communications and events, OHLA is working at both the state and local level to propose options for fair oversight of the short-term online rental platforms. These platforms can be valuable to individual property owners and hosts, but they can also provide a vehicle for large full-time commercial operators and even illegal hotels. Our industry's position has consistently been that we do not seek to ban short-term online rentals, nor apply rules and regulations to small rental properties that they cannot meet. However, experience around the country demonstrates that a reasonable approach that ensures guest health and safety, creates a level playing field for regulation and taxes, and offers protection for neighbors and neighborhoods, can be helpful in fostering this part of our industry.

OHLA's approach to short-term online rentals involves simultaneously working on state and local level legislation that would simply define short-term online rental activity as a business on par with other like-sized lodging operations, and to ensure that the rental platform meets its responsibilities in ensuring that the transactions it facilitates are legitimate. Basic standards, such as smoke detectors and fire extinguishers, that are met by operators of B&Bs and other small properties are reasonable expectations for hosts of short-term rentals to meet. It is also critical that local communities retain the ability to oversee this type of business -- a basic principle of our position -- and for platforms that make billions of dollars from this commercial activity to contribute their fair share of applicable taxes.

Lawmakers assure our industry that before any proposals are implemented, there will be ample time for public input and discussion. OHLA provides numerous avenues for all sectors of our industry to engage in the conversation, including local lodging council meetings around the state; OHLA's Unique Lodging of Ohio council; OHLA Government Affairs Committee; and the OHLA Board of Trustees.

For more information about OHLA's work on short-term online rental policy, email [joe@ohla.org](mailto:joe@ohla.org).

## State Budget's Possible Negative Impact on Hotel Industry Mostly Neutralized

### Online Travel Company Tax Parity

OHLA advanced the cause of tax parity further than ever, and our language requiring Online Travel Companies to remit their fair share was included in one version of the state budget legislation; however, language was removed last minute when the legislature decided to hold off on any internet tax policy till a further date. OHLA will be working with members of the legislature to address the OTC tax parity issue in a stand-alone legislation outside of the budget - precisely where we started on this journey in previous years. We are prepared to capitalize on the work of your lobby team and leaders and see that process through.

Thank you to Govt. Affairs Chair Alan Assaf, who testified along with your Executive Director in the Ohio Senate Finance Committee.

## Lodging Tax Issues

Budget issues were mostly neutral for the hotel industry, although the inclusion of a handful of permissive lodging tax issues does continue to erode the model our industry can support and sustain.

### **Hamilton County Hotel Tax Revenue Redistribution Defeated**

Ohio Hotel & Lodging Association (OHLA) and our industry partners were successful in defeating an amendment in the state budget that would have redirected and redistributed critical lodging tax funding to municipalities and townships in Hamilton County. If the amendment was not removed, Cincinnati USA and its partner entities in the community would have negatively been impacted through newly developed competitive markets and initiatives.

### **Clermont County Lodging Tax Gets “Guardrails”**

OHLA worked with Senator Uecker to place “guardrails” on a granting authority to increase Clermont County lodging tax by 1%. Clermont County may begin levying the 1% ONLY after the county’s Convention and Visitors’ Bureau enters into a contract for the construction, improvement, or maintenance of the sports facility. Additionally, the authority to levy the tax expires on January 1, 2019.

### **Avon City Granted Authority to Increase Lodging Tax 3% By Vote of the People**

OHLA worked with Senator Manning to amend House’s original amendment to grant authority to the city of Avon to increase the municipal lodging tax 3%. Senator Manning amended the authority to be granted only if it has been approved by the vote of the people. If Avon decides to move forward with a campaign to increase its lodging tax, it MUST be used specifically for the purpose of promoting economic development and tourism.

### **Warren County Lodging Tax Proceeds**

Legislators granted Warren County Commissioners authority to increase their county lodging tax by 1% to pay for the construction and maintenance costs of a sports facility. Additionally, the 3% lodging tax levied in 2014 may be used to pay the construction and maintenance costs of a sports facility owned by a port authority. (Previously, 2014 tax levy was only permitted to cover the costs of a county-owned sports facility.)