

OHLA Launches Website on Online Travel Company Tax Issue

One of our industry's top policy priorities is tax parity among all entities selling hotel accommodations in our state. OHLA supports efforts by Rep. Dave Greenspan to introduce House Bill 571 to clarify and modernize the Ohio Revised Code as it relates to online hotel room sales.

HB 571 will require out-of-state online travel companies to remit the existing taxes that they already collect from consumers. It will close an obsolete loophole that harms Ohio companies employing tens of thousands of individuals in hotels and hotel-related jobs. It's also a win for Ohio's travel industry and its local communities, according to the association representing Ohio's hotel and lodging operators.

OHLA has launched an all-new education website on the issue of online travel company taxes. Visit www.supportourtraveleconomy.com to learn more, and to contact the sponsor of HB 571 with your thanks and support.

In response to efforts to eliminate this unfair loophole, opponents falsely claim that the bill requires a tax increase or would increase the cost for consumers. To help provide education on the issue, www.supportourtraveleconomy.com includes a dynamic "Myth vs. Facts" section which highlights important assertions, in the OTCs' own words, why this is not the case. A review of memorandum from the online travel companies and their own advisors demonstrates this is not the case. An Expedia memo dated July 28, 2003 and uncovered in legal proceedings stated, "Regarding the question of whether we should pass on occupancy tax costs to our customers, the current answer is 'no' - or maybe a more accurate answer is that we do not currently believe that is possible from a competitive standpoint."

www.supportourtraveleconomy.com allows individuals to directly share their thanks and support to the sponsor of HB 571, Dave Greenspan (R-Westlake) for his efforts.

Issue 1: Ballot Issue To Revamp The Congressional Redistricting Process

Ohio Issue 1, the Congressional Redistricting Procedures Amendment, is on the ballot in Ohio as a legislatively referred constitutional amendment on May 8, 2018.

A **"yes"** vote supports changing the vote requirements to pass congressional redistricting maps and the standards used in congressional redistricting in Ohio. To learn more about what changes Issue 1 would make, see the measure design section.

A **"no"** vote opposes new congressional redistricting procedures and standards, thus allowing the Ohio General Assembly to continue adopting congressional redistricting plans through a simple majority vote.

Issue 1 would create the following process for Congressional redistricting in Ohio:

- The measure would require the state legislature to adopt a 10-year Congressional redistricting plan with 60 percent of members in each chamber voting in favor and 50 percent of Republicans and 50 percent of Democrats (or whichever two parties have the most members in the legislature) voting in favor.
- Should the state legislature fail to meet these vote requirements, then the seven-member Ohio Redistricting Commission, established via Issue 1 in 2015, would get a chance to adopt a 10-year congressional redistricting plan, with support from at least two members of the minority party.
- Should the commission fail to adopt a plan, the legislature would get a second opportunity to adopt a 10-year plan, but with a lesser requirement of one-third of the members from the two major parties supporting the proposal.
- Failure at this stage would result in the legislature adopting a plan through a simple majority vote, with no bipartisan vote requirement but stricter criteria, and with the plan lasting two general election cycles (four years), rather than 10 years.

Issue 1 would take effect on January 1, 2021, and apply to congressional redistricting following the 2020 U.S. Census

Ohio House Republicans to Vote on Next Speaker

House Republicans will vote this month to choose the next Speaker of the Ohio House of Representatives. A special caucus will only consider votes for a new speaker to fill out the remainder of the year, and not any other leadership position. The new speaker will replace Rep. Cliff Rosenberger (R-Clarksville), who resigned earlier this month amid an investigation by the FBI.

The speaker's race for the balance of 2018 is anticipated to come down to the two candidates who have already been running for the leadership position in the next General Assembly in 2019: Rep. Ryan Smith (R-Bidwell) and Rep. Larry Householder (R-Glenford). Another possibility is that the caucus could select a placeholder speaker to finish out the year, and Rep. Dorothy Pelanda (R-Marysville), who is term-limited, has expressed interest in that role.

BWC Coalition Update:

Private Employer Rating Plan Proposed Adjustments Effective July 2019

The Ohio Bureau of Workers Compensation recently agreed to reduce the average discount for non-group employers from 14.2% to 8.8%. In addition, they proposed that the discount be applied to group retro participants as our coalition, of business trade associations and workers' compensation and risk management consulting companies, have negotiated for. The second reading of the new proposal was held on April 25. Issues considered were:

- Estimated Revenue Neutral Impacts: Impact assumes that the Small Employer Maximum Claim and Experience Rating Table Credibility changes are implemented
- If there will be any Revised Group Retro Basic Premium Factors or not
- New Group Retro Premium Calculations *If there will be any Group Retro changes or not

The Ohio Hotel & Lodging Association partners with CareWorksComp to offer our members the only group rating plan specifically designed for the hotel industry. The OHLA program has helped employers in our industry achieve the highest group rating discount possible and save millions of dollars, including more than \$1.6 million in 2017-18. OHLA is an active participant in a coalition of business organizations which work to protect the savings programs which have benefited Ohio's employers and employees alike.