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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 299  
135<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Brenner

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### SUMMARY

- Limits the purposes for which townships, counties, and municipal corporations may regulate short-term rental properties.
- Requires the Superintendent of the Division of Real Estate and Professional Licensing to issue licenses to licensed real estate brokers and salespersons in an electronic format.

### DETAILED ANALYSIS

#### Short-term rental properties

There are no statewide regulations specific to short-term rental properties under existing law. The bill authorizes townships, counties, and municipal corporations (herein “local governments”) to require registration of short-term rental properties and to regulate them for the purpose of protecting public health, safety, and welfare.<sup>1</sup> However, it prohibits local governments from adopting or enforcing regulations, requirements, restrictions, or other resolutions or ordinances that (1) prohibit short-term rentals, (2) create a lottery system for eligibility of a short-term rental property, or (3) regulate short-term rentals for any other purpose not expressly authorized under the bill.<sup>2</sup>

The bill defines “short-term rental property” as a house, apartment, condominium, cooperative unit, cabin, cottage, or bungalow, or one or more rooms therein, that is, or are, offered to transients or travelers for a fee for a period of 30 days or less, regardless of whether amenities, including meals, daily housekeeping, concierge services, or linen services, are

<sup>1</sup> R.C. 5325.01(B).

<sup>2</sup> R.C. 5325.01(A)(1) and (C).

provided.<sup>3</sup> It explicitly authorizes a local government to regulate short-term rental properties with respect to any of the following:

- Noise;
- The number of individuals who may occupy a dwelling;
- Housing and property maintenance;
- Health and sanitation;
- Traffic control;
- Solid and hazardous waste and pollution control;
- Liability insurance covering loss or liability for transients or travelers using the property;
- Designation of an emergency contact and availability of the owner or the owner's agent within a specified distance of the property.

The bill requires that any fee associated with the registration of a short-term rental property to be reasonable and used only for the enforcement of short-term rental regulations.<sup>4</sup>

Municipal corporations (i.e., cities and villages), charter counties, and limited home rule townships are likely permitted to regulate short-term rental properties under their existing police powers. The bill limits rather than expands the regulatory authority of those local governments. Since municipal home rule authority is granted by the Ohio Constitution, the bill's limitations could be challenged.<sup>5</sup> The General Assembly has broader authority to limit county and township home rule powers, since they are derived from statute.

## **Real estate licenses**

The bill requires the Superintendent of the Division of Real Estate and Professional Licensing to issue licenses in an electronic format.<sup>6</sup> Under continuing law, the Superintendent issues licenses for real estate brokers and salespersons,<sup>7</sup> and the form and size of licenses issued are prescribed by the Ohio Real Estate Commission.<sup>8</sup> Under continuing law, a licensed broker must display a physical copy of the license in the physical office and a licensed salesperson must email a copy of their license to the broker with whom they are associated or will be associated, so the broker can keep it on record for public inspection.<sup>9</sup> The bill does not seem to prohibit or

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<sup>3</sup> R.C. 5325.01(A)(2).

<sup>4</sup> R.C. 5325.01(D).

<sup>5</sup> Ohio Constitution, Article XVIII, Section 3.

<sup>6</sup> R.C. 4735.78.

<sup>7</sup> R.C. 4735.08 and 4735.09, not in the bill.

<sup>8</sup> R.C. 4735.11, not in the bill.

<sup>9</sup> R.C. 4735.13.

exclude any other format of issuing a license. Therefore, it seems that under the bill a license may be issued in multiple formats, one of which must be electronic.

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## HISTORY

Action	Date
Introduced	06-24-24