

# Ohio Legislative Service Commission

Office of Research and Drafting Legislative Budget Office



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Version: As Introduced

Primary Sponsor: Sen. Brenner

Local Impact Statement Procedure Required: No

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## Highlights

- Local governments are unlikely to incur additional costs to register and regulate shortterm rentals within the limits set by the bill. This is because the bill allows them to charge a reasonable fee to cover costs for this purpose.
- The Division of Real Estate and Professional Licensing within the Department of Commerce may see additional costs to issue licenses in an electronic format. These costs will be paid from the Division of Real Estate Operating Fund (Fund 5490).

## **Detailed Analysis**

#### Short-term rentals

The bill generally does not impose any direct costs on townships, counties, and municipal corporations. Under home rule, local governments are likely permitted to regulate short-term rental properties under their existing police powers. The bill authorizes local governments to require registration of short-term rental properties and to regulate them for the purpose of protecting public health, safety, and welfare. These purposes include regulating 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 also permits local governments to charge a fee for registration, as long as the fee is reasonable and used only to cover the costs of regulating short-term rentals. However, the bill 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.

### Electronic real estate brokers and salespersons licenses

The Division of Real Estate and Professional Licensing within the Department of Commerce may incur new costs to issue licenses in an electronic format in addition to physical copies required under current law. The cost of producing and issuing licenses in electronic format, including potential information technology systems updates, will be paid from the Division of Real Estate Operating Fund (Fund 5490). The Division of Real Estate and Professional Licensing currently operates an electronic license portal which includes the ability to look up licenses.

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