



March 20, 2025

The Honorable Thomas Umberg
Chair, Senate Judiciary Committee
1021 O St., Room 3240
Sacramento, CA 95814

RE: SB 346 (Durazo) Local agencies: transient occupancy taxes: short-term rental facilitator.
CO-SPONSOR AND SUPPORT (*As Amended on March 20, 2025*)

Dear Chair Umberg,

The League of California Cities (Cal Cities) is pleased to **co-sponsor** and **support** SB 346, which would better equip cities to enforce local ordinances related to short-term rentals, including the collection and remittance of transient occupancy taxes (TOT).

Short-term rentals are regulated exclusively at the local level via the adoption of an ordinance that often includes regulations on permitting, tax compliance, noise, parking, occupancy, as well as other responsibilities for hosts and short-term rental facilitators. In some instances, ordinances limit the number of short-term rentals allowed to operate lawfully, other ordinances ban short-term rentals entirely.

Short-term rentals can present numerous challenges to neighborhoods and adjacent property owners. They may create additional noise, traffic, parking, and public safety issues, decrease available housing stock, and in some cases turn residential neighborhoods into de-facto hotel rows, collectively creating additional demands on local public service providers.

Unfortunately, the enforcement of TOT ordinances and the collection and remittance of these taxes from short-term rentals can be inconsistent, even when voluntary collection agreements are in place with a short-term rental facilitator. Cities lack access to property addresses or other property-related information, even under these agreements, resulting in a difficult choice to either accept tax payments without any way to verify their accuracy and legality or attempt to collect taxes directly from property owners—a costly and time-consuming process. Meanwhile, short-term rental facilitators have full knowledge of these properties' locations and resist disclosing this information. Cities can only compel short-term rental facilitators to disclose this critical information through certain legal action, such as subpoenas. This is **not** how oversight of public dollars should work.

SB 346 would address the above issues by providing cities with the assessor parcel number of each short-term rental listed on the facilitator's website and full audit authority of TOT dollars. These changes would ensure the correct amount of TOT is being



collected and remitted and would allow for more efficient enforcement against unlicensed units.

If you have any questions, do not hesitate to contact me at btriffo@calcities.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Triffo", with a long horizontal flourish extending to the right.

Ben Triffo
Legislative Advocate

cc: The Honorable María Elena Durazo
Members, Senate Judiciary Committee
Christian Kurpiewski, Deputy Chief Counsel, Senate Judiciary Committee
Morgan Branch, Policy Consultant, Republican Caucus