

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: April 10, 2025

PREPARED BY: Anthony J. Mejia, City Clerk

SUBJECT: LETTER OF SUPPORT FOR SENATE BILL 346 (DURAZO) – TRANSIENT
OCCUPANCY TAXES AND SHORT-TERM RENTAL FACILITATORS

RECOMMENDATION:

Authorize the issuance of a letter of support for Senate Bill 346 (Durazo) relating to transient occupancy taxes and short-term rental facilitators.

BACKGROUND/ANALYSIS:

The League of California Cities is encouraging cities to submit letters of support for SB 346, which would strengthen cities' ability to enforce local ordinances relating to the collection and remittance of transient occupancy taxes (TOT) associated with short-term rentals.

SB 346 proposes to require short-term rental facilitators to provide local governments with assessor parcel numbers for each listed property and grant cities full audit authority related to TOT remittances. The bill aims to address challenges local agencies face in enforcing TOT ordinances, ensuring tax compliance, and addressing unpermitted short-term rental activity.

The City's ad hoc City Council Subcommittee on Legislative Affairs, consisting of Mayor Harnik and Mayor Pro Tem Trubee, has reviewed SB 346 and supports submitting a letter of support. A draft letter, consistent with the League's recommended format, is attached for the City Council's consideration. There is no immediate urgency for submittal, allowing for City Council action prior to issuing the letter.

Legal Review:

This report has been reviewed by the City Attorney's Office.

FINANCIAL IMPACT:

There is no financial impact associated with this action.

ATTACHMENTS:

1. Senate Bill 346
2. League of California Cities Support Letter
3. Draft Letter of Support