

## DRAFT

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

RE: **SB 346 (Durazo) Local Agencies: Transient Occupancy Taxes: Short-Term Rental Facilitators – SUPPORT**

Dear Senator Umberg,

The City of Palm Desert supports 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 ordinances that often include 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, while others ban short-term rentals entirely.

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 often 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. This is not how oversight of public dollars should work.

SB 346 would address these 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.

For these reasons, the City of Palm Desert supports SB 346.

Sincerely,