



ANNETTE C. DELGADILLO
Mayor

PEGGY LEMONS
Vice Mayor

ISABEL AGUAYO
Councilmember

BRENDA OLMOS
Councilmember

VILMA CUELLAR STALLINGS
Councilmember

March 20, 2025

The Honorable Senator Durazo
Chair, Senate Local Government Committee
California State Capitol, Room #7530
Sacramento, CA 95814

RE: SB 346 (Durazo) Local agencies: transient occupancy taxes: short-term rental facilitator. Notice of SUPPORT (As Introduced on February 12, 2025)

Dear Chair Durazo,

The City of Paramount supports SB 346, which would better equip cities to enforce local ordinances related to the collection and remittance of transient occupancy taxes (TOT) for short-term rentals.

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, while other ordinances ban short-term rentals entirely.

Short-term rentals can present numerous challenges to neighborhoods and adjacent property owners. They 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 short-term rental facilitators. 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 collected and remitted and allow for more efficient enforcement against unlicensed units.

Paramount, like many other communities, has experienced difficulties enforcing our local ordinances due to the lack of access to accurate rental property information. SB 346 would provide a fair and efficient framework from which we could implement compliance mechanisms, safeguard our neighborhoods, and provide accountability and protection for our tax revenue streams. This is why the City of Paramount strongly supports SB 346, which would grant us the necessary authority to regulate and enforce TOT compliance for short-term rental properties.

Short-term rentals present unique challenges, including disruptions to residential areas, increased demand for local services, and potential reductions in long-term housing availability. This bill allows local agencies to impose administrative penalties for noncompliance and conduct audits of short-term rental facilitators to verify proper tax remittance. Additionally, requiring platforms to display applicable licensing and tax certifications will improve accountability, transparency, and overall enforcement efforts. By supporting SB 346, the City of Paramount reinforces its commitment to fiscal responsibility, neighborhood stability, and ensuring that short-term rentals contribute fairly to the community.

For these reasons, the City of Paramount supports SB 346. Please feel free to contact City Manager John Moreno at (562) 220-2225, if you have any questions. On behalf of the City of Paramount, we thank you for your time and consideration

CITY OF PARAMOUNT



Annette C. Delgadillo
Mayor

Cc: Honorable Congresswoman Nanette Barragan, 44th District
Honorable State Senator Lena Gonzalez, 33rd District
Honorable Assemblymember Jose Luis Solache, 62nd District
Kristine Guerrero, Public Affairs Director, League of California Cities
Jorge Morales, Legislative and Governmental Affairs Consultant, California Contract Cities Association