

**PEGGY LEMONS** Mayor

**BRENDA OLMOS** Vice Mayor

ISABEL AGUAYO Councilmember

ANNETTE C. DELGADILLO Councilmember

VILMA CUELLAR STALLINGS Councilmember

September 11, 2025

The Honorable Gavin Newsom Governor, State of California 1021 O Street. Ste. 9000 Sacramento, CA 95814

RE: SB 346 (Durazo) Local agencies: transient occupancy taxes: shortterm rental facilitator. Request for SIGNATURE

Dear Governor Newsom,

The City of Paramount respectfully requests your signature on SB 346, which would better equip cities to enforce local ordinances related 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 to collect taxes directly from property owners—a costly and timeconsuming process. Meanwhile, short-term rental facilitators have full knowledge of these properties' locations and resist disclosing this information. Cities can only compel shortterm rental facilitators to disclose this critical information through certain legal action, such as subpoenas. This is not how oversight of public dollars should work.

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SB 346 would address the above issues by providing cities with the physical address 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 Paramount requests your signature on SB 346. Please feel free to contact City Manager John Moreno at (562) 220-2225, if you have any questions. We appreciate your time and consideration.

CITY OF PARAMOUNT

Peggy Lemons

Mayor

CC. The Honorable María Elena Durazo

Brady Borcherding, Deputy Legislative Affairs Secretary Nicholas Cabeza, Public Affairs Manager, League of California Cities Jorge Morales, Legislative and Governmental Affairs Consultant, California Contract Cities Association