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April 3, 2015

The Honorable Matthew Harper
California State Assembly
State Capitol
Sacramento, CA 95814

RE: AB 1220 (Harper). Transient Occupancy Taxes: Residential Short-Term Rentals
NOTICE OF OPPOSITION

Dear Assembly Member Harper,

On behalf of the League of California Cities, I regret to inform you of our opposition to AB 1220, which would prohibit cities, counties, or a city and county from levying a transient occupancy tax (TOT) on residential short-term rental units, including single family homes, apartments, condos or other residential real estate in which the public pays for accommodations for less than 90 days.

This measure would eliminate local authority to collect revenue on transient occupancy of short term residential units, thereby undermining local control, local budgets and regulatory authority. Contrary to the intent language in your measure that states that such a measure would create "fairness," we argue that such a proposal creates major inequities.

There should be no free rides. These residential units are in direct competition with hotels, motels and other accommodations where guests do pay the local transient occupancy tax, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor.

Moreover, such short-term rentals of residential houses, rooms, and apartments present numerous challenges to affected neighborhoods and adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows.

Cities are responding in different ways. Many regulate and enforce local ordinances and collect TOT on these rentals. Yet, in other areas it may present less of an issue. Cities already have the tools they need to craft the right approach to fit their own communities.

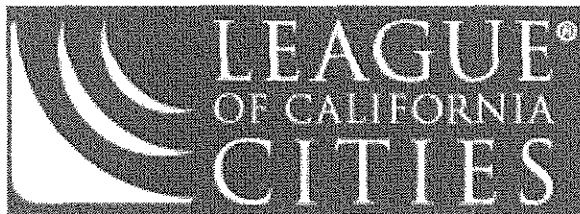
This measure would undermine local authority and revenues while also creating major inequities among taxpayers staying in transient occupancy lodging. For these reasons, we regret that we must oppose AB 1220. If you have any questions about our opposition to this bill, please call me at (916) 658-8222.

Sincerely,



Daniel Carrigg
Legislative Director

CC: Chair and Members, Assembly Local Government Committee
Chair and Members, Assembly Committee on Revenue and Taxation
Debbie Michel, Chief Consultant, Assembly Local Government Committee
William Weber, Principal Consultant, Assembly Republican Caucus
Anthony Archie, Senior Consultant, Assembly Republican Caucus
Sue Highland, Committee Secretary, Assembly Committee on Revenue and Taxation



Search Results Wednesday, April 08, 2015

AB 1220

(Harper R) Transient occupancy taxes: residential short-term rentals units.

(Introduced: 2/27/2015)

Status: 3/23/2015-Referred to Coms. on L. GOV. and REV. & TAX.

Location: 3/23/2015-A. L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chapters
1st House				2nd House				Conc.			

Calendar: 4/15/2015 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, MAIENSCHEIN, Chair

Summary: Existing law authorizes the legislative body of a city or county to levy a tax on the privilege of occupying a room or other living space in a hotel, inn, tourist home or house, motel, or other lodging unless the occupancy is for a period of more than 30 days, as provided. The California Constitution also provides that a charter city may levy local taxes to raise revenues for local purposes, subject to restrictions imposed by that city's charter or preemption in matters of statewide concern. This bill would prohibit a legislative body of a local agency, defined to mean any city, county, city and county, including any chartered city, county, or city and county, from levying a tax on the privilege of occupying a residential short-term rental unit, as defined. This bill contains other related provisions.

Attachments:

[AB 1220 \(Harper\) Author, Oppose 4.3.15](#)

Policy Committee (primary)	Primary Lobbyist	2nd Lobbyist		
Housing Community and Economic Development	Carrigg, Dan			
League Position	Position Taken	Policy Committee (secondary)	Policy Analyst	
Oppose	Hot			

Total Measures: 1
Total Tracking Forms: 1

4/8/2015 1:30:29 PM