

Senator Feinstein,

Please take notice that on May 12, 2015 the City of Santa Monica passed Chapter 6.20 of the Santa Monica City Code which raises Federal Constitutional issues, such as freedom of association and creation of criminal liability for ordinary economic transactions.

The City Code wording is shown at:

<http://www.smgov.net/departments/council/agendas/2015/20150512/s2015051207-A-1.htm>

The general issue is the current attempt by several cities to impose regulations and taxes on short term rentals of and home sharing of private residential property. It appears that these regulations are promoted by large hotels to effectively monopolize short term rentals. Because of the economic importance and impact of short term rentals, I believe that a Senate investigation and hearing, combined with economic and legislative studies by the Congressional Budget Office (CBO), are required to determine whether a new federal statute is required to prevent City laws that are a clear violation of the U.S. Constitution.

My independent review of the Transient Occupancy Tax laws in many cities shows a wide variation in guest use of residential real property. For many cities, the City Regulations are blatant violations of Constitutional rights.

Accordingly, I request appropriate Federal hearings, investigations, and reports to determine the best course of action to prevent the expense and time of years of foreseeable private litigation to oppose fatally flawed City rules. Thank you for giving this your attention.

Richard R. Sylvester, J.D., Ph.D.