Re: Case: CPC-2016-1243-CA (Proposed Home Sharing Ordinance)

Dear Planning Commissioners:

Ensuring that people offering to rent accommodations on a short-term basis through an online home sharing service follow the rules and pay appropriate taxes need not require Los Angeles citizens to relinquish their right to privacy. Unfortunately, that is what the city’s proposed home sharing ordinance would do.

Consumer Watchdog’s concern is with the ordinance’s provision to require Internet home sharing sites, such as Airbnb, to turn over to Los Angeles on a monthly basis the home sharing registration number, address, number of nights rented, and amount paid to every owner that rents their property through the site. This is an unwarranted intrusion into users’ privacy and inappropriately requires the home sharing platform to do the enforcement work that should rightfully be done by the city.

Imagine the outcry if California’s Franchise Tax Board required eBay to report the name, number of sales and amount collected in each sale for every person selling tchotchkes through the site, in order to seek out income tax cheats. Californians value privacy so highly we guaranteed it in the state Constitution. The users of home sharing sites have no less right to privacy simply because the companies are unpopular in some quarters.

Americans balk at this kind of mass data collection even when the government does it in the name of preventing terrorism. Why would it be acceptable when the government’s aim is to catch homeowners violating zoning codes, short-term rental regulations or skimping on their taxes?

The legitimacy of sweeping government demands for Internet users’ transactional and personal data is a key privacy question of our time. Requiring e-commerce sites to turn over personal data so enforcement officials can scour through records and search for potential violations of local laws amounts to a blank search warrant and a basic violation of our civil rights.

A government request for personally identifiable data should carefully balance the right to privacy against the right to safety and security for the public. Judges typically need to issue warrants for such information because it is considered each citizen’s right to protect it. Throwing open the door to mass data collection – with no legal justification like a warrant – would deal a serious blow to privacy rights in Los Angeles.
We don’t have a problem with requiring people offering home sharing accommodations to register with the city and get license. They should be required to pay occupancy taxes. If the home sharing site collects fees, it is appropriate to require it to pay the occupancy tax. Nor do we object to the city exercising its zoning. We share concerns that already expensive housing markets are being squeezed even further by the wholesale removal of properties to become vacation rentals. Nevertheless, surrender of users’ privacy rights is not the way to go about regulating it.

People using home sharing sites to offer accommodations should follow zoning laws and pay their taxes. However, the blunt approach to enforcement contemplated here is a slippery slope and a significant threat to privacy. We urge the council to amend the ordinance and remove the provision requiring surrender of users’ personal information.

Sincerely,

[Signature]

John M. Simpson
Privacy Project Director

Cc: Mayor Eric Garcetti, City Council, City Clerk