

## FLOOR ALERT

September 13, 2023

TO: Members, California State Senate

## SUBJECT: ACA 13 (WARD) VOTING THRESHOLDS OPPOSE – AS AMENDED SEPTEMBER 11, 2023

The California Chamber of Commerce and the undersigned are **OPPOSED** to **ACA 13 (Ward)** as amended on September 11, 2023. This proposal aims to amend the California Constitution as to require a higher voter approval requirement for citizen-proposed ballot initiatives that seek to increase protections for adoption of new taxes but does not impose that same voting threshold burden for tax increases placed on the ballot by the Legislature or local governments. This allows elected officials the ability to more easily raise taxes and limits the ability of voters to reduce taxes.

A ballot measure slated for the November 2024 ballot proposes, among other things, to address an appellate court decision that stretched legal reasoning to allow local proposed tax increases placed on a ballot by voter initiative to be approved by a majority vote rather than the historic two-thirds voter approval requirement. Since the repair of this court decision would restore the two-thirds vote threshold, under the terms of **ACA 13**, the ballot measure would require a two-thirds statewide vote to prevail.

Comparatively, a pending constitutional amendment in the Legislature, ACA 1, would reduce the voter threshold to approve higher taxes from two-thirds to 55% voter approval, yet would only need a majority of voters to approve this measure if placed on the ballot instead of 55% voter approval. The only distinction between this measure and the currently pending ballot initiative referenced above, is the Legislature will have placed it on the ballot, not citizens. This inconsistent application of voter approval creates a concerning and unfair balance between the Legislature's ability to raise taxes and the voters' ability to utilize the initiative process to check local government and the Legislature's authority.

For these reasons, we OPPOSE ACA 13 (Ward).

Sincerely,

Preston Young California Chamber of Commerce on behalf of

Anaheim Chamber of Commerce Brea Chamber of Commerce California Chamber of Commerce California Hispanic Chambers of Commerce Carlsbad Chamber of Commerce Chino Valley Chamber of Commerce Citrus Heights Chamber of Commerce Dana Point Chamber of Commerce Danville Area Chamber of Commerce Fontana Chamber of Commerce Fremont Chamber of Commerce Gateway Chambers Alliance Greater High Desert Chamber of Commerce Greater Irvine Chamber of Commerce Half Moon Bay Coastside Chamber of Commerce Imperial Valley Regional Chamber of Commerce La Cañada Flintridge Chamber of Commerce Laguna Niguel Chamber of Commerce Lake Elsinore Valley Chamber of Commerce Livermore Valley Chamber of Commerce

Lodi Chamber of Commerce Long Beach Area Chamber of Commerce Los Angeles Area Chamber of Commerce Mission Viejo Chamber of Commerce National Federation of Independent Business Norwalk Chamber of Commerce Oceanside Chamber of Commerce **Orange Chamber of Commerce** Palm Desert Area Chamber of Commerce Palos Verdes Peninsula Chamber of Commerce Paso Robles Templeton Chamber of Commerce Santa Maria Valley Chamber of Commerce Simi Valley Chamber of Commerce The Chamber of Commerce for Greater Brawley Torrance Area Chamber of Commerce **Tulare Chamber of Commerce** Vacaville Chamber of Commerce Walnut Creek Chamber of Commerce Yorba Linda Chamber of Commerce Yuba-Sutter Chamber of Commerce

cc: Legislative Affairs, Office of the Governor Eric Warmoth, Office of Assemblymember Ward Scott Matsumoto, Senate Elections and Constitutional Amendments Committee Cory Botts, Senate Republican Caucus