



CITY OF ORLAND STAFF REPORT

MEETING DATE: December 5, 2023

TO: Honorable Mayor and City Council

FROM: Pete Carr, City Manager

SUBJECT: **Consider Opposition to Proposed “Taxpayer Protection and Government Accountability Act” November 2024 Ballot Measure**

BACKGROUND:

The City Council from time to time will take a position in support of or in opposition to an issue or proposed piece of legislation or a ballot measure.

The California Business Roundtable (CBRT), a group of corporations, is the primary sponsor of an initiative that has qualified for the November 2024 ballot entitled, “Taxpayer Protection and Government Accountability Act.” The State Legislature is challenging the measure with two separate bills, ACA 1 and ACA 13, both of which will also be on the November 2024 ballot, while the League of California Cities (CalCities) vigorously opposes it and invites member cities to join in formal opposition. To date, 166 cities have filed letters of opposition to the proposed ballot measure.

ANALYSIS:

Voter approval thresholds for local taxes are already established in the State constitution. The CBRT ballot measure would redefine what constitutes a tax, impose new requirements for the ballot materials used to submit taxes to voters, set higher thresholds for passage of local tax measures and fee adjustments, and loosen the standards to challenge local taxes.

ACA 1 would lower to 55% the threshold for local bonds providing funding for “essential public infrastructure” and affordable housing. ACA 13 would require that any measure imposing a 2/3 voting threshold (i.e., the CRBT ballot item) must pass by 2/3 to become law.

CalCities asserts numerous downsides to the CRBT measure for cities including that it is “anti-local control” and makes it harder for local governments to provide vital services to their residents. On September 27, the California Legislature and Gov. Gavin Newsom filed an emergency petition with the California Supreme Court seeking to remove the CBRT measure from the Nov 2024 ballot, arguing that it unlawfully revises the State constitution and cripples essential local government functions. CalCities filed a brief in support of the legal challenge.

Attachments (3):

1. Draft proposed letter of opposition
2. Legislative Analyst Office (LAO) analysis of the proposed measure
2. Recent CalCities statements on the topic

Full text of the initiative and further analysis available at Ballotpedia website: [overview and text](#)

RECOMMENDATION:

Oppose the "Taxpayer Protection and Government Accountability Act" by signed letter as drafted.

FISCAL IMPACT OF RECOMMENDATION:

No immediate known impact, but potentially adverse revenue impacts upon future tax measure efforts.