

ACA 13 (Ward, Rivas) – OPPOSE



SOUTHERN CALIFORNIA LEADERSHIP COUNCIL



CENTRAL VALLEY TAXPAYERS ASSOCIATION



Placer County Taxpayers Association



CENTRAL COAST TAXPAYERS ASSOCIATION



SOUTH BAY ASSOCIATION OF CHAMBERS OF COMMERCE



August 28, 2023

The Honorable Chris Holden
Chair, Committee on Appropriations
California State Assembly
Sacramento, CA 95814

Subject: OPPOSE ACA 13: Voting Thresholds – as amended August 17, 2023

Dear Assemblymember Holden,

The California Business Roundtable and the organizations listed oppose **ACA 13 (Ward, Rivas)**, which seeks to amend the constitution by limiting the initiative process by shifting the power to raise the voter threshold for new and higher taxes to the Legislature. ACA 13 will fundamentally change the initiative process by increasing the voter threshold to pass future limits on taxes and fees *only for measures put on the ballot by signature gathering*, not those put on by the Legislature. ACA 13 will change the power balance between the Legislature and voters and is yet another attempt to diminish the voice of voters as the right and necessary check-and-balance in our system of government. In the past decade, the Legislature has attempted to significantly limit voters' access to the ballot initiative process. Previous legislation moved all voter-backed measures to the November ballot, creating a more crowded and expensive process for initiative backers. Additional legislation increased by 1000% the cost to submit a draft ballot measure for title and summary to the Attorney General. And this year, the same special interests backing ACA 13 attempted to severely limit the power of the referendum process, changing the rules midway through the election cycle to catch supporters off-guard and tip the scales in favor of opponents.

The initiative process is a vital tool for Californians to voice their concerns, propose changes, and stand up for their values. It allows citizens to bypass the usual legislative channels and bring about changes that matter deeply to them. However, ACA 13 risks diminishing these voices, shifting power away from the people and towards the Legislature in a drastic and unprecedented way. Under ACA 13, the power to increase voter thresholds for new and higher taxes would vest solely with the Legislature, taking away a fundamental and often-used tool for voters looking to better control their cost of living and higher taxes. However, the power to *reduce* voter thresholds would remain with both citizens and the Legislature, creating significant power imbalance and an unlevel playing field.

Unfortunately, California is not the only Legislature seeking to upend the state constitution to further a political agenda. A similar measure in Ohio, State Issue 1, sought to create voter limitations on the ballot as well, increasing the threshold for voters to amend the constitution. Elected officials across the nation, including Governor Gavin Newsom, rightly opposed State Issue 1 and its abuse of the initiative process. California should not follow Ohio's example by attempting to place similar voter limitations on the ballot.

Moreover, ACA 13 is a clear attempt to undermine and ultimately undo several voter-approved taxpayer protections, including Prop. 13, Prop. 218, and Prop. 26. These measures, while passed by voters, have been whittled away by both legislative and legal actions. Under ACA 13, these important voter-approved measures would be even more vulnerable to attack. While the 2/3 threshold for new and higher taxes has not stopped local governments from being able to raise revenue via special taxes, enacting a similar threshold at the statewide level will again create a

significant power imbalance whereby larger cities and urban areas will have significantly more say in how the entire state is taxed.

The ballot measure process has posed a significant check-and-balance for both the Legislature and the courts. In fact, in many cases, it is the *only* recourse taxpayers have when the courts overstep their authority and rule against voters' will.

By opposing this bill, the undersigned organizations aim to protect the integrity of California's direct democracy system, uphold the rights of voters, and advocate for transparent and accountable governance.

Sincerely,



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President
California Business Roundtable



Jon Coupal
President
Howard Jarvis Taxpayers
Association



Matthew Hargrove
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California Taxpayer Protection Committee
California Retailers Association
Central Coast Taxpayers Association
Central Valley Taxpayers Association
Contra Costa Taxpayers Association
Garden Grove Chamber of Commerce
Greater San Fernando Valley Chamber of Commerce
Los Angeles County Taxpayers Association
Placer County Taxpayers Association
Redondo Beach Chamber of Commerce
San Diego Tax Fighters
Santa Ana Chamber of Commerce
Silicon Valley Taxpayers Association
Solano County Taxpayers Association
South Bay Association of Chambers of Commerce