Protecting Local Control through the Ballot Box

As the leading voice of California cities, the League of California Cities® unites coalitions of local officials and other stakeholders on common issues. Legislative advocacy and legal intervention form the cornerstones of the organization’s multi-faceted strategy to preserve local authority and protect local revenues. In rare instances where stronger action is needed, the League has taken its case directly to the voters. Since 2004, the League has successfully fought to protect local control through the initiative process, passing key ballot measures including the following:

**Proposition 1A**

**The Local Taxpayers and Public Safety Protection Act**

Years of state raids on local property tax revenues totaling more than $40 billion since the early 1990s compelled the League and a coalition of local governments and other stakeholders to place Prop. 1A on the ballot in 2004. Approved by 83.7 percent of voters, Prop. 1A prevents the Legislature from taking and using local funds and preserves them for core local services including fire and paramedic response, law enforcement, healthcare, parks, libraries and transportation.

This historic bipartisan agreement includes provisions that:

- Restrict the Legislature’s ability to raid local government funding, including local governments’ share of sales taxes, property taxes and Vehicle License Fee (VLF) revenues; and
- Requires the suspension of state mandated programs if the state fails to provide funding.

**Proposition 22**

**The Local Taxpayer, Public Safety and Transportation Protection Act of 2010**

Additional constitutional protections were needed after 2009 when the Legislature attempted to take all local highway user taxes and passed a budget that borrowed and took approximately $5 billion in city, county, transit, redevelopment and special district funds, jeopardizing vital local services. This total included $671.4 million of city property taxes.

In response, the League and an alliance of local governments again went to the ballot in 2010, filing Prop. 22 to further protect hotel taxes, parcel taxes, utility taxes, local public transit funds and gas tax revenues from state raids. Approved by 60.7 percent of voters, Prop. 22 eliminated the Legislature’s authority to borrow local property taxes. It further ensured the strong protection of local revenues by preventing the state from:

- Shifting VLF revenues from local governments to pay state mandates;
- Taking or borrowing the Highway User Tax on gasoline that funds transportation and public transit;
- Taking or borrowing redevelopment funds or shifting them to other state purposes;
Proposition 22, Continued

- Redirecting or diverting locally imposed taxes (parcel taxes, sales taxes, utility user taxes, transient occupancy taxes); and
- Borrowing or redirecting existing funding for public transit, including existing taxes on gas and “spillover” funds dedicated to the Public Transportation Account.

Protecting Local Land Use Authority

No on Proposition 90: The Taxpayer Trap

Prop. 90 was a well-financed special interest-backed initiative that sought to eliminate most of local governments’ land use decision making authority. A broad coalition of taxpayer, education, business, consumer, environmental, local government and community groups was instrumental in the defeat of the measure in November 2006. Led by the League, the opposition educated voters on how this measure’s far reaching provisions would have cost taxpayers billions of dollars by driving up the cost of infrastructure projects, prevented voters and state and local agencies from enacting environmental protections, jeopardized public safety services and more.

No on 98/Yes on 99

In 2008, the League’s strategy required playing both offense and defense to protect local land use authority. A coalition placed Prop. 98 on the ballot ostensibly to prevent abuses in appropriating private property for public use. Its real impact, however, included effectively abolishing rent control in California cities, potentially limiting laws requiring developers to build affordable housing and spawning countless lawsuits.

Rather than simply rallying to defeat this measure, the League mounted a campaign to promote real reform in an alternative measure, Prop. 99. Backed by a broad coalition representing homeowners, renters, seniors, environmentalists, labor, ethnic communities, public interest and local governments, this more narrowly-drawn measure protected both homeowners and local land use authority by limiting local governments’ authority to acquire homes for use by a private individual, business or association.

An effective statewide campaign educated voters on the critical differences between the competing measures. The “No on 98/Yes on 99” campaign was another important victory, garnering a strong 61 percent of the vote and reaffirming Californians’ support for preserving local control over local land use decisions.

Other Measures

The League’s first forays into ballot measure advocacy came in the early 2000s when increasing state budget problems threatened critical transportation and housing revenues for local governments. With limited resources, the League played an instrumental role with the successful grassroots, coalition building and earned media efforts to pass Prop. 42 (transportation funding) in March 2002 and Prop. 46 (housing bond) in November 2002.

An Engaged Membership Translates into Ballot Box Strength

The involvement of League membership and its coalition partners has been critical to the above successes. Ongoing vigilance and informed participation is important to ensure that cities can meet any new threats from the Legislature, the courts or the initiative process. Involvement in the League helps city officials better serve their cities by protecting vital services for residents.