

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee**

April 14, 2023

Agenda Item 3e

Senate Bill 532 (Wiener): Local Ballot Measure Labels

Subject:

Provides option for local bonds and other tax measures to provide details via the voter guide instead of on the ballot label, with transparency safeguards.

Background:

In California, measures going before voters are summarized in a 75-word “ballot label” that appears next to “yes” or “no.” For local measures that impose or increase a tax, state legislation passed in 2015 requires the ballot label to outline the tax rate, duration and expected revenue (Assembly Bill (AB) 809, Obernolte). A subsequent bill by the same author expanded the statute to apply to local bond measures (AB 195, Statutes of 2017), which would include a future regional housing bond measure placed on the ballot by the Bay Area Housing Finance Authority. Though the focus of the legislation was to increase transparency, the new requirements can result in misleading information about the cost of a bond to property owners given the actual cost is determined by a range of factors including interest rates and the pace of bond issuances, which are not known when the ballot label is finalized. Importantly, when combined with the 75-word limit for ballot labels, the required statement can consume most of the 75-word limit, leaving little room to outline how the funds will be spent. For tiered tax rates with multiple rate categories, even a simple description of the rates can consume all the space.

Senate Bill (SB) 532 attempts to address these concerns by providing an alternate approach for proponents of a local bond or tiered tax measure. Specifically, instead of describing the rate on the ballot label itself, this option would allow the label to direct voters to “See voter guide for measure information statement.” The voter guide would be required to include all the tax rate, duration and expected revenue information and additional details about factors affecting the tax rate and the measure’s expected public benefits. SB 532 requires a local jurisdiction to select this option to specify the reasons for doing so in the resolution calling for the election.

Recommendation:

Support / ABAG Executive Board Approval

Support / MTC Commission Approval

Discussion:

SB 532 is timely for the Bay Area, with a regional housing bond anticipated to be on the November 2024 ballot and a future transportation measure also under development. The bill's approach ensures voters have access to more accurate and complete information than under current law, while also providing additional space for proponents of local bonds or tiered tax measures to describe the proposed uses of the funds. Polling results suggest this additional information can have a material impact on voters' willingness to support local bond and tax measures. According to the author, local agencies considering bonds or other revenue measures have seen support for the proposals drop by 5 to 15 percentage points in polls when the new Elections Code ballot label requirements are included. The polling shows this change does not reflect a change in voters' beliefs but rather is a result of confusion. The expanded explanations allowed under SB 532 related to how much a measure will cost the voter as well as how the proceeds will be spent would provide voters with a much clearer overview of the costs and benefits of these measures. For these reasons, staff recommends a support position on SB 532.

Known Positions:

Support

Nonprofit Housing Association of Northern California (co-sponsor)
Coalition for Adequate School Housing (co-sponsor)
Association of Federal State County and Municipal Employees, CA
Association of California Construction Managers
Association of California Healthcare Districts
Association of California School Administrators
California Housing Partnership Corporation
California Special Districts Association
California State Association of Counties
California State Council of Service Employees International Union
Community College Facility Coalition
Corona Norco Unified School District
Mayor London Breed - City & County of San Francisco
Mayor Todd Gloria - City of San Diego

Mayor Matt Mahan - City of San José
Mayor Sheng Thao - City of Oakland
Riverside Community College District
San Diego Housing Federation
San Diego Unified School District
Santa Clara Valley Water District
School Energy Coalition
Small School Districts' Association
SV@home
Urban Counties of California

Oppose

California Association of Realtors
California Taxpayer's Association
Howard Jarvis Taxpayer's Association
Livable California
Mission Street Neighbors
Orange County Realtors

Attachments:

None



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