

PROP 43: TWO-THIRDS VOTE FOR LOCAL SPECIAL TAXES

Quick Facts

- **Official ballot title:** “Limits Voters’ Ability to Raise Revenues for Local Government Services. Legislative Constitutional Amendment.”¹
- **Type:** Legislative constitutional amendment (Assembly Constitutional Amendment 22, Resolution Chapter 132, filed with the secretary of state June 25, 2026)²
- **A vote YES means:** New, increased, or extended local special taxes proposed by voters through the initiative power would need a two-thirds vote to pass, the same threshold already required when a city council or county board places a special tax on the ballot. Local governments and their voters also could not impose ad valorem property taxes beyond the limits already in the state constitution.³
- **A vote NO means:** Certain local special taxes could continue to be approved by a simple majority vote when placed on the ballot by citizen initiative.⁴
- **Sponsor/proponent:** Assemblymember Buffy Wicks (D-Oakland) authored ACA 22 as a legislative compromise. The Howard Jarvis Taxpayers Association drove the underlying policy and its qualified citizen initiative.⁵
- **On the ballot because:** The legislature placed it on the ballot by a two-thirds vote of each house on June 25, 2026, as a compromise. In exchange, the Howard Jarvis Taxpayers Association withdrew its already-qualified initiative (AG No. 25-0006A1).⁶
- **Full legal text:** [ACA 22, Resolution Chapter 132, California Legislative Information](#)⁷
- **LAO analysis:** [Legislative Analyst’s Office, Proposition 43](#)⁸

CALIFORNIA DECIDES

1. WHAT WOULD IT DO?

Proposition 43 would raise the vote threshold for one specific path to a new local tax. Today, when a city council or county board of supervisors asks voters to approve a special tax, meaning a tax earmarked for a specific purpose, that tax needs a two-thirds vote to pass. That requirement traces to Proposition 13 in 1978 and Proposition 218 in 1996. A separate path exists. When voters themselves place a special tax on the ballot through the citizen initiative, a series of court decisions has allowed that tax to pass with a simple majority. Proposition 43 would close that gap. Beginning January 1, 2027, a voter-initiated local special tax would need the same two-thirds vote as a government-sponsored one.⁹

The measure carries a second provision that has drawn less attention. It also bars a local government, including its electorate acting by initiative, from imposing ad valorem taxes on real property beyond the 1 percent rate that Proposition 13 already allows.¹⁰ This extends the existing constitutional limit so that it cannot be worked around through the initiative power.

The Legislative Analyst's Office frames the practical effect plainly. By raising the bar for these taxes, the measure makes it harder for local governments to raise certain revenues, so local tax collections could be lower in the future than they otherwise would be. The office adds that the actual impact is unknown and would depend on future choices by voters and local officials.¹¹

2. THE LEGAL LANGUAGE

- **Full text:** [ACA 22, "Local Taxes: Limitation," Resolution Chapter 132, California Legislative Information](#) (filed with the secretary of state June 25, 2026)¹²
- **Key language:**

"Beginning on January 1, 2027, and notwithstanding Article II and Article XI, no local government, including the electorate of a local government exercising the initiative power, may impose, extend, or increase any special tax, except as provided in Section 4 of this article, subdivision (d) of Section 2 of Article XIII C, and paragraph (2) of subdivision (a) of Section 3 of Article XIII D, unless and until that tax is submitted to the electorate and approved by a two-thirds vote." [1, Sec. 4.5(a)]
- **What it amends:** Adds Section 4.5 to Article XIII A of the California Constitution, the article created by Proposition 13. Because it is a constitutional amendment, the legislature cannot repeal it on its own. The phrase "including the electorate of a local government exercising the initiative power" is the operative change, since it applies the two-thirds requirement to citizen initiatives, which recent court rulings had exempted.¹³

3. WHO, WHAT, WHERE, WHEN, WHY?

- **Who?** Assemblymember Buffy Wicks (D-Oakland) authored ACA 22, but she did so as the vehicle for a negotiated deal rather than as a personal cause, and she has since said she opposes the measure.¹⁴ The policy behind it belongs to the Howard Jarvis Taxpayers Association and its president, Jon Coupal, who had qualified a broader citizen initiative and agreed to pull it once the legislature placed this narrower version on the ballot.¹⁵ Opposition comes from transit, housing, and local government advocates who rely on majority-vote initiatives to fund services.¹⁶
- **What?** A two-thirds vote requirement for voter-initiated local special taxes, plus a bar on using the initiative power to impose ad valorem property taxes beyond the existing 1 percent limit.¹⁷
- **Where?** Statewide in effect, but it governs local taxes, so its bite is felt in the cities, counties, and special districts where citizen tax initiatives appear.¹⁸

CALIFORNIA DECIDES

- **When?** On the November 3, 2026, ballot. The requirement applies to taxes beginning January 1, 2027.¹⁹
- **Why?** Supporters argue that a special tax is a special tax no matter who puts it on the ballot, and that letting initiatives pass earmarked taxes by a simple majority is an end run around a taxpayer protection that has stood since Proposition 13. Opponents argue that the citizen initiative is a core democratic tool and that a supermajority requirement lets a minority of voters block services the majority wants.²⁰

4. TRADE-OFFS

- For roughly two decades after Proposition 218, most people assumed every local special tax needed two-thirds approval. The California Supreme Court unsettled that assumption in *California Cannabis Coalition v. City of Upland* (2017), holding that the procedural limits Proposition 218 placed on local governments do not automatically bind voters acting through the initiative.²¹ The court itself called the change modest and left the two-thirds question open. Lower courts then took the next step, upholding several citizen special taxes that had passed with a majority rather than a two-thirds vote. That line of cases is what Proposition 43 would overturn.²²
- The trade-off is real on both sides. The measure closes what supporters see as a loophole that lets organized campaigns pass targeted taxes with less consensus than the state constitution otherwise demands. A two-thirds rule protects the minority who bear the tax, and it forces broad agreement before money is committed to a single purpose. But the same rule is a powerful brake. Supermajority requirements let roughly one-third of voters defeat what a majority supports, and the taxes that have passed by majority under the current rule are not abstractions. They have funded things like fire protection, health services, and open-space preservation in specific counties.²³ Under Proposition 43 several of those recent measures would have failed despite winning majority support.²⁴
- There is also a worthwhile point about scope. Proposition 43 is deliberately narrower than the initiative it replaced. The original Howard Jarvis measure would also have restricted certain charter-city real estate transfer taxes and would have reached backward to invalidate some taxes already in place. ACA 22 drops both of those features and applies only going forward.²⁵ Voters weighing this measure are voting on the prospective threshold change and the ad valorem limit, not on the more sweeping version that was withdrawn.

5. POTENTIAL RISKS AND BENEFITS

Potential benefits

- It restores a single, consistent rule. A local special tax would need two-thirds approval regardless of whether a city council or a citizen initiative places it on the ballot, ending a distinction that turned on procedure rather than substance.²⁶
- It strengthens a long-standing taxpayer protection. The two-thirds requirement for earmarked local taxes has been part of California law since Proposition 13 and Proposition 218, and the measure keeps the initiative power from bypassing it.²⁷
- It is prospective and narrow. Unlike the withdrawn initiative, it does not invalidate existing taxes or add new limits on real estate transfer taxes, which reduces the risk of disruptively unwinding revenue already budgeted.²⁸
- It adds certainty. Litigation since *Upland* left the majority-versus-two-thirds question unsettled for years, and a clear constitutional rule would end that ambiguity.²⁹

Potential risks

- It makes it harder to fund local services. The Legislative Analyst finds local tax revenues could be lower than they otherwise would be, though the size of the effect is unknown.³⁰
- It lets a minority block a majority. A tax with 60 percent support would fail, so about one-third of voters could defeat a measure the majority favors.³¹
- It narrows a core democratic tool. The citizen initiative was designed to let voters act when their elected officials will not, and the measure raises the bar specifically for that path.³²
- Real recent examples would have failed. Several county special taxes for fire, health, and open space passed with majorities below two-thirds and would not have survived this rule.³³
- The ad valorem provision is easy to overlook. Most coverage focuses on the vote threshold, yet the measure also writes a real property tax limit into the constitution, and its practical reach deserves scrutiny.³⁴

6. OPEN QUESTIONS

- How many recent local special taxes actually passed with between a majority and two-thirds vote, and how much revenue statewide would have been at stake under the new rule?
- Does the ad valorem provision in subdivision (b) change anything on the ground, or does it mainly codify limits that courts already enforced?
- Will the narrower ACA 22 satisfy the Howard Jarvis Taxpayers Association over time, or does the withdrawn initiative signal a broader effort to come?
- How will the measure interact with the exceptions it cross-references in Article XIII C and Article XIII D, and which taxes fall inside or outside those carve-outs?
- With the author now opposed to her own measure, how will the yes and no campaigns be organized and funded?

7. THE QUESTIONS TO ASK BEFORE YOU VOTE

A special tax funds one specific thing, and the state constitution has long asked for two-thirds approval before a city or county can levy one. Should the same two-thirds rule apply when voters put that tax on the ballot themselves, or should the citizen initiative be a path to a simple-majority tax that elected officials could not pass on their own?

Ask which risk worries you more: A supermajority rule that lets one-third of voters block services the majority wants, or a majority rule that lets an organized campaign commit a community to a targeted tax with less consensus than the constitution otherwise requires?

ENDNOTES

- ¹ Legislative Analyst's Office, Proposition 43 ballot analysis: <https://lao.ca.gov/BallotAnalysis/Proposition?number=43&year=2026>.
- ² Full text, Assembly Constitutional Amendment 22, "Local taxes: Limitation," Resolution Chapter 132 (filed with the secretary of state June 25, 2026), California Legislative Information: https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202520260ACA22.
- ³ Full text, Assembly Constitutional Amendment 22; LAO, Proposition 43 ballot analysis.
- ⁴ LAO, Proposition 43 ballot analysis.
- ⁵ Full text, Assembly Constitutional Amendment 22; Howard Jarvis Taxpayers Association, "Taxpayers Win in Sacramento with Unprecedented Support for Two-Thirds Vote Requirement to Raise Special Taxes," press release, June 25, 2026: <https://www.hjta.org/press-releases/taxpayers-win-in-sacramento-with-unprecedented-support-for-two-thirds-vote-requirement-to-raise-special-taxes/>.
- ⁶ Howard Jarvis Taxpayers Association, "Taxpayers Win"; "Ballot Set for California November Election After Deal Kills Disputed Tax Measure," *Los Angeles Sentinel*, July 9, 2026: <https://lasentinel.net/ballot-set-for-california-november-election-after-deal-kills-disputed-tax-measure.html>.
- ⁷ Full text, Assembly Constitutional Amendment 22.
- ⁸ LAO, Proposition 43 ballot analysis.
- ⁹ Full text, Assembly Constitutional Amendment 22; LAO, Proposition 43 ballot analysis.
- ¹⁰ Full text, Assembly Constitutional Amendment 22.
- ¹¹ LAO, Proposition 43 ballot analysis.
- ¹² Full text, Assembly Constitutional Amendment 22.
- ¹³ Full text, Assembly Constitutional Amendment 22; California Cannabis Coalition v. City of Upland (2017) 3 Cal.5th 924, FindLaw: <https://caselaw.findlaw.com/court/ca-supreme-court/1872303.html>.
- ¹⁴ "Prop 43: The Anti-Tax Ballot Measure and Transit Funding," Seamless Bay Area, July 10, 2026: <https://www.seamlessbayarea.org/blog/2026/7/10/prop-43-the-anti-tax-ballot-measure-and-transit-funding>.
- ¹⁵ Howard Jarvis Taxpayers Association, "Taxpayers Win"; "Ballot Set," *Los Angeles Sentinel*.
- ¹⁶ "Prop 43," Seamless Bay Area.
- ¹⁷ Full text, Assembly Constitutional Amendment 22.
- ¹⁸ LAO, Proposition 43 ballot analysis.
- ¹⁹ Full text, Assembly Constitutional Amendment 22.
- ²⁰ LAO, Proposition 43 ballot analysis; "Prop 43," Seamless Bay Area.
- ²¹ *Upland*.
- ²² *Upland*.
- ²³ "Prop 43," Seamless Bay Area.
- ²⁴ "Prop 43," Seamless Bay Area.
- ²⁵ Howard Jarvis Taxpayers Association, "Taxpayers Win"; "Ballot Set," *Los Angeles Sentinel*.
- ²⁶ Full text, Assembly Constitutional Amendment 22; LAO, Proposition 43 ballot analysis.
- ²⁷ Full text, Assembly Constitutional Amendment 22.
- ²⁸ Howard Jarvis Taxpayers Association, "Taxpayers Win." "Ballot Set," *Los Angeles Sentinel*.
- ²⁹ *Upland*.
- ³⁰ LAO, Proposition 43 ballot analysis.
- ³¹ LAO, Proposition 43 ballot analysis.
- ³² "Prop 43," Seamless Bay Area.
- ³³ "Prop 43," Seamless Bay Area.
- ³⁴ Full text, Assembly Constitutional Amendment 22.