



June 4, 2026

The Honorable Juan Carrillo
Chair, Assembly Local Government
Committee
1020 N Street, Room 157
Sacramento, CA 95814

The Honorable Mike Gipson
Chair, Assembly Revenue and Taxation
Committee
1020 N Street, Room 167A
Sacramento, CA 95814

**RE: Initiative 25-0006A1 — “Local Taxpayer Protection Act to Save Proposition 13”
Notice of OPPOSITION**

Dear Chair Carrillo and Chair Gipson,

The League of California Cities, representing 483 cities throughout California, respectfully opposes Initiative 25-0006A1, the “Local Taxpayer Protection Act to Save Proposition 13,” sponsored by the Howard Jarvis Taxpayers Association. As the Assembly Local Government Committee and Assembly Revenue and Taxation Committee convene a joint informational hearing on this measure, Cal Cities urges the Legislature to recognize the significant threat this initiative poses to city fiscal stability, local voter-approved revenues, and the essential services Californians rely on daily.

Eligible for the November 2026 statewide ballot, Initiative 25-0006A1 would make sweeping and permanent changes to the California Constitution by restricting how local governments may adopt certain taxes and by limiting the types of taxes local governments may impose related to real property. Specifically, the measure would:

1. Require all local special taxes to receive two-thirds voter approval.
2. Prohibit local governments from imposing most taxes related to real property, such as property transfer taxes.
3. Most concerning, the initiative would invalidate existing taxes, including decades of locally approved measures, that do not comply with its new constitutional requirements.

For cities, the fiscal consequences would be severe. Cal Cities' fiscal analysis estimates that Initiative 25-0006A1 could reduce local government revenues by approximately \$2 billion to \$3 billion annually statewide beginning two years after enactment. The Legislative Analyst's Office similarly projects an annual loss of up to two billion dollars in local government revenues, primarily due to the invalidation of charter city property transfer taxes and certain parcel taxes passed with less than two-thirds voter approval.

The largest share of the initiative's losses would fall directly on cities. Estimates show that eliminating the 27 locally adopted property transfer taxes would reduce city revenues by over \$2 billion annually across affected cities, even after accounting for replacement with the much lower statutory Documentary Transfer Tax allowed under

state law. **The proportional impact on city general-purpose revenues would vary significantly by jurisdiction, ranging from 1% to more than 25% of general-purpose city revenues. Losses of this magnitude would significantly destabilize local budgets and could require cities to reduce services, delay infrastructure projects, or reduce staffing and operational capacity.** Affected cities include:

Alameda	Redondo Beach
Albany	Richmond
Berkeley	Riverside
Culver City	Sacramento
El Cerrito	San Francisco
Emeryville	San Jose
Hayward	San Leandro
Los Angeles	San Mateo
Mountain View	San Rafael
Oakland	Santa Cruz
Palo Alto	Santa Monica
Petaluma	Santa Rosa
Piedmont	Vallejo
Pomona	

These revenues are not abstract budget figures. For many cities, property transfer taxes are a major, longstanding source of locally controlled revenue that supports police and fire protection, emergency response, homelessness programs, housing initiatives, infrastructure maintenance, parks and recreation, libraries, and other community programs. Many property transfer taxes are general-purpose revenues, which give cities the flexibility to maintain balanced budgets, respond to changing community needs, and protect core services.

Initiative 25-0006A1 would also invalidate a number of voter-approved special taxes adopted by citizen initiative with less than two-thirds voter approval. **This includes approximately \$300 million in annual losses from parcel taxes across local governments, schools, and special districts. These revenues fund services such as fire services, infrastructure maintenance, libraries, childcare, schools, and environmental protection.**

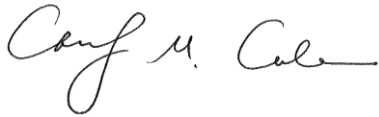
At a time when cities are facing rising costs, increasing service demands, infrastructure needs, housing and homelessness challenges, and public safety obligations, Initiative 25-0006A1 would significantly restrict local fiscal flexibility. Revenue reductions of this magnitude cannot be absorbed through minor administrative efficiencies alone.

Cal Cities is deeply concerned that the measure would override local voter decisions and disrupt long-term planning for public services and capital investments. Cities budget, hire employees, maintain infrastructure, and deliver services based on revenues approved by their residents. Retroactively invalidating decades-old revenues would create significant uncertainty for cities and the communities they serve.

For these reasons, Cal Cities **opposes** Initiative 25-0006A1 and implores the Legislature to recognize the severe and lasting consequences this measure would have on cities and the residents they serve. We also urge that any legislative discussion related to this measure, property transfer taxes, or local revenue authority include meaningful engagement with cities before any proposal moves forward that could permanently alter local fiscal authority or threaten the services Californians depend on.

If you have any questions, do not hesitate to contact Ben Triffo, legislative advocate, at btriffo@calcities.org.

Respectfully,

A handwritten signature in black ink, appearing to read "Carolyn M. Coleman". The signature is fluid and cursive, with the first name "Carolyn" being the most prominent part.

Carolyn Coleman
Executive Director and CEO

cc: The Honorable Governor Gavin Newsom
Members, Assembly Local Government Committee
Members, Assembly Revenue and Taxation Committee