


Date: October 13, 2022

To: Mayor and Members of the City Council

From: Thomas B. Modica, City Manager 

Subject: **November 2022 State and County Ballot Measures Overview**

On Tuesday, November 8, 2022, Long Beach voters will consider seven statewide ballot measures, one of which was placed on the ballot by the Legislature and six of which are initiatives, as well as two county ballot measures. This memorandum provides a summary of the State and county 2022 General Election ballot measures, including potential impacts to the City of Long Beach (City). For additional information, please visit the California Secretary of State Official [Voter Information Guide](#).

2022 State Ballot Measures

Proposition 1—Constitutional Right to Reproductive Freedom (Legislative Constitutional Amendment)

Proposition 1 is a California Constitutional amendment that would establish a right to reproductive freedom, including the right to an abortion and to choose or refuse contraceptives. The amendment would specifically prohibit the State from denying or interfering with an individual's reproductive freedoms. In response to the Supreme Court overturning *Roe v. Wade* and the longstanding precedent to protect reproductive freedom under the right to privacy, this proposed State measure was placed on the ballot by the Legislature through the passage of [Senate Constitutional Amendment 10](#). Furthermore, the adopted State Fiscal Year (FY) 2023 Budget includes \$200 million to expand access to reproductive healthcare, bolster clinical infrastructure, and increase workforce in healthcare services to support this effort.

The campaign committee in support of Proposition 1 has raised more than \$3.1 million, including funding from advocacy groups such as Planned Parenthood, California Federation of Teachers, and the ACLU. The committee in opposition to this measure has not filed any contributions.

- **Long Beach Impacts:** On May 24, 2022, the City Council adopted the 2022 State Legislative Agenda with language to support efforts to protect the right to choose and the right to abortion access in the California Constitution. Following City Council direction, on June 13, 2022, the City submitted a [letter of support](#) for Senate Constitutional Amendment 10 to place this measure on the 2022 ballot. The City's FY 23 Budget also includes \$150,000 for the Health and Human Services Department to conduct feasibility studies and pilot programs to increase access to reproductive healthcare.

Proposition 26—Allows In-Person Roulette, Dice Games, Sports Wagering on Tribal Lands (Initiative Constitutional Amendment and Statute)

Proposition 26 would legalize sports betting at gaming casinos and licensed racetracks for individuals 21 years of age or older. Sports betting includes professional, college, or amateur sport and athletic events. The measure would impose a 10 percent tax on profits from sports betting at racetracks, with 15 percent of the revenues supporting research and programs to prevent gambling and advance mental health, as well as 15 percent to enforce sports wagering and other gaming in California.

Supporters of Proposition 26 have raised more than \$73 million, including contributions from numerous tribes such as the Pechanga Band of Luiseno Indians, Yocha Dehe Wintun Nation, Agua Caliente Band of Cahuilla Indians, Federated Indians of Graton Rancheria, and the Barona Band of Mission Indians. The campaign opposed to Proposition 26 has raised more than \$42 million and includes the California Commerce Club, Hawaiian Gardens Casino, Knighted Ventures, Park West Casinos, the Bicycle Hotel & Casino, and PT Gaming.

- Long Beach Impacts: The proposal will not have a direct impact on the City's operations or revenues, as there are no gaming casinos or racetracks in Long Beach. While the State will receive additional revenues through Proposition 26, it is unclear how the City would be able to leverage these funds. In March 2022, the Gateway Cities COG board voted to oppose Proposition 26, due in large part to opposition from regional stakeholders like the Bicycle Hotel & Casino in Bell Gardens. As the [Legislative Analyst's Office](#) explains, Proposition 26 could negatively impact revenues for local governments that receive a large share of their revenue from cardrooms, due to additional gambling competition from gaming casinos and racetracks. That is not the case in Long Beach.

Proposition 27—Allows Online and Mobile Sports Wagering Outside Tribal Lands (Initiative Constitutional Amendment and Statute)

Proposition 27 would authorize online sports betting for individuals 21 years of age or older in the State, outside tribal land. This proposal would allow a gaming tribe, an online sports betting platform, and a qualified gaming company to operate online sports betting. Revenues from licensing fees, renewals, and the sports wagering tax would be allocated to permanent and interim housing solutions (85 percent) and the expansion of tribal government, public health, education, infrastructure, and economic development (15 percent).

The campaign in support of Proposition 27 has reported more than \$100 million, largely from online gambling companies including BetMGM, FanDuel Sportsbook, and DraftKings; and it has the support of numerous California mayors. Opposition to the proposal has raised nearly \$115 million, and top contributors include the San Manuel Band of Mission Indians, the Pechanga Band of Luiseno Indians, and the Yocha Dehe

Wintun Nation who instead support Proposition 26. State legislative leaders Senate President Pro Tempore Toni Atkins and Assembly Speaker Anthony Rendon, the Republican Party of California, the California Teachers Association, and numerous community organizations also oppose the measure.

- *Long Beach Impacts:* Proposition 27 would provide additional resources to support the City's homeless services and affordable housing efforts. Unlike the gambling revenues proposed by Proposition 26, which would predominately go to the State's general fund, Proposition 27 would dedicate 85 percent of revenues from online gambling to advance permanent and interim housing, rental assistance, supportive services, and operating subsidies made available to cities, counties, and continuums of care through the same allocation formula as the Homelessness Housing, Assistance, and Prevention (HHAP) program. The City and the Long Beach Continuum of Care receive allocations through the HHAP program, amounting to more than \$8.5 million both this year and next year. While it is unclear how much additional revenue Proposition 27 would generate, the [Legislative Analyst's Office](#) estimates it will likely be in the hundreds of millions of dollars annually but less than \$500 million annually.

Proposition 28—Provides Additional Funding for Arts and Music Education in Public Schools (Initiative Statute)

Proposition 28 is a community initiative that would require expanded funding for arts and music education in K-12 public schools and charter schools. The proposal would create a new categorical program, allocating funding to school sites to supplement arts education, including dance, media, music, theater, graphics, computer coding, animation, script writing, costume design, and music composition. It would mandate that at least one percent of total State and local revenues that local education agencies receive under Proposition 98 be used to fund arts and music programming. Schools with 500 or more students would have to use 80 percent of the funding to employ teachers and the remaining 20 percent for training and materials. If passed, increased State spending through the measure would likely range between \$800 million and \$1 billion annually. Of the total, 70 percent would go to schools based on their share of statewide enrollment, and the remaining 30 percent would go to schools based on their share of low-income students enrolled statewide.

The proposal has been endorsed by education leads such as Los Angeles Unified School District Superintendent Austin Beutner and the California Teachers Association. The campaign has reported more than \$8 million in contributions. No official opposition campaign has been registered.

- *Long Beach Impacts:* The measure will not have a direct impact on the City's budget, as the proposal is limited to State and local revenues received by local education agencies.

Proposition 29—Requires On-Site Licensed Medical Professional at Kidney Dialysis Clinics and Establishes Other State Requirements (Initiative Statute)

Proposition 29 would enact the Protect the Lives of Dialysis Patients Act, imposing various requirements for kidney dialysis clinics to operate in California. Specifically, it would mandate that clinics have at least one physician, nurse practitioner, or physician assistant onsite during patient treatments; report dialysis-related infections to the State; provide ownership disclosures to patients; obtain State approval before closing or substantially reducing services to patients; and prohibit clinics from refusing care based on the patient's form of payment. The proposition is sponsored by SEIU-UHW and is related to earlier, unsuccessful efforts to require additional standards for kidney dialysis clinics—Proposition 23 (2020) and Proposition 8 (2018).

As with previous measures related to kidney dialysis clinics, Proposition 29 is led by SEIU-UHW, which has contributed nearly \$8 million to the campaign. Opposition to the proposal includes the State's two largest dialysis providers, DaVita and Fresenius Medical Care; the Republican Party of California; Chamber of Commerce; and California Medical Association. The campaign in opposition has reported nearly \$37 million.

- Long Beach Impacts: The City does not employ private dialysis clinics, so Proposition 29 would not directly impact the City's operations, services, or employees.

Proposition 30—Provides Funding for Programs to Reduce Air Pollution and Prevent Wildfires by Increasing Tax on Personal Income Over \$2 Million (Initiative Statute)

In order to fund zero-emissions technologies and wildfire emissions reductions, Proposition 30 would increase State income tax by 1.75 percent on income above \$2 million for individuals, bringing the total State income tax above \$2 million for individuals to 15.05 percent. The proposed increase in annual State income tax revenue is estimated between \$3 billion and \$4.5 billion. Of this additional revenue, 45 percent would be used for rebates and other incentives for zero-emission vehicle purchases; 35 percent would fund charging stations, with at least half of this funding directed to projects that benefit people who live in heavily polluted and/or low-income communities; and 20 percent would be used for wildfire response and prevention activities. If passed, the additional tax would take effect on January 1, 2023, and would end by January 1, 2043, or sooner if statewide emissions are reduced by 80 percent of 1990 levels.

Proponents of the measure include the California Democratic Party, California State Association of Electrical Workers, Unite HERE, and California Environmental Voters; and Lyft has bankrolled the campaign with a \$15 million contribution. Opponents include Governor Gavin Newsom, the Republican Party of California, California Teachers Association, Chamber of Commerce, and the Howard Jarvis Taxpayers Association.

- **Long Beach Impacts:** The proposal would not have a direct impact on local revenues, as it is limited to State income tax. However, Proposition 30 could generate billions of dollars in State revenue annually to fund programs that may help advance the City’s Climate Action Plan, which prioritizes investments and programs to reduce greenhouse gas emissions. In recent years, the City has supported legislative proposals that would fund equitable access to zero-emissions technologies and infrastructure in low-income and disadvantaged communities.

Proposition 31—Referendum on 2020 Law that Would Prohibit the Retail Sale of Certain Flavored Tobacco Products

Proposition 31 is a referendum that seeks to overturn [Senate Bill 793](#) (SB 793) signed by Governor Newsom in August 2020. SB 793 would ban the sale of flavored tobacco products or tobacco product flavor enhancers and would make a violation of this prohibition an infraction punishable by a fine of \$250 per violation. The legislation exempts hookah tobacco, premium cigars, and loose-leaf tobacco products. The referendum asks voters whether SB 793 should be approved or rejected. A “Yes” vote on the referendum supports SB 793 and the prohibition of the sale of most flavored tobacco products and tobacco flavor enhancers. A “No” vote on Proposition 31 aims to repeal SB 793, allowing the sale of such products under State law.

The Committee to Protect California Kids has raised more than \$5.5 million in support of Proposition 31 and the effort to uphold Senate Bill 793. The campaign to repeal SB 793 is led by tobacco interests and has received more than \$21 million, overwhelmingly from tobacco interests such as R.J. Reynolds Tobacco Co., and Philip Morris USA.

- **Long Beach Impacts:** In April 2021, the City Council adopted an [Ordinance](#) to prohibit the sale of flavored tobacco products in Long Beach, including but not limited to flavored cigarillos, flavored electronic cigarettes and fluids, and flavored cigarettes including menthol cigarettes. Mirroring SB 793, the City Ordinance exempts hookah tobacco, premium cigars, and loose-leaf tobacco. These products will remain banned in Long Beach if SB 793 is repealed by the referendum. However, if SB 793 becomes effective by a vote of the people via this referendum, the City’s flavored tobacco ban will become inoperative and be repealed on the effective date of SB 793 (see LBMC § 5.81.070.F.4).

2022 County Ballot Measures

Measure A

Measure A would allow the Los Angeles County Board of Supervisors to remove the elected sheriff from office by a four-fifths vote, whereas removal of the sheriff currently requires a recall election or grand jury. The Board would have to have a cause for the sheriff’s removal, including violation of laws related to the sheriff’s duties, repeated

neglect of responsibilities, misuse of public funds or properties, willful falsification of documents, or obstruction of an investigation into the department's conduct. The Board of Supervisors voted to place this charter amendment on the ballot.

- Long Beach Impacts: Measure A could allow for the removal of an elected sheriff by the Los Angeles County Board of Supervisors and would not have a direct impact on the City.

Measure C

Measure C would enact taxes on marijuana businesses in unincorporated areas of Los Angeles County. Taxes would include \$10 per square foot for cultivation, six percent on gross retail receipts, two percent on testing facilities' gross receipts, three percent on gross distribution receipts, and four percent on manufacturing and other marijuana business facilities' gross receipts. This proposal is estimated to generate between \$10 million and \$15 million annually in additional tax revenues for Los Angeles County. Measure C was placed on the ballot by the Los Angeles County Board of Supervisors.

- Long Beach Impacts: This measure will not directly impact the City's cannabis taxes, revenues, or policies, as it only applies to businesses in unincorporated Los Angeles County. Neighboring cities of Cerritos, Compton, Cypress, Lakewood, Los Alamitos, Paramount, Seal Beach, and Signal Hill prohibit cannabis businesses. However, in unincorporated areas of Los Angeles County where zoning permits, including areas to the northwest of Long Beach, Measure C could encourage new cannabis businesses to open. In comparison, Long Beach's cannabis tax rates are \$13.70 per square foot for cultivation, six percent of gross receipts for medical retail, eight percent of gross receipts for adult-use retail, and one percent of gross receipts for manufacturing, distribution, and lab testing. Should voters approve Measure C, the proposed regulatory framework suggests that the number of commercial cannabis licenses will be limited to no more than 90 and prioritized for equity applicants in unincorporated Los Angeles County. By comparison, Long Beach currently allows for unlimited licensing, except for retail storefronts (capped at 40), resulting in over 250 licensed businesses and 500 pending licenses.

If you have any further questions, please contact Tyler Bonanno-Curley, Manager of Government Affairs, at 562-570-5715 or Tyler.Curley@longbeach.gov.

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