

## [The next big insurance fight headed to California's ballot](#)

Politico

**POLITICS OVER POLICIES** — Nearly 40 years ago, insurance companies and consumer advocates waged an epic David vs. Goliath battle at the ballot. Now both sides are wondering whether it's time for a rematch.

Since its narrow passage in 1988, Proposition 103 has set the rules for insurers doing business in California, requiring an elected insurance commissioner to approve any rate changes. The initiative helped keep the state's insurance rates below many other states, even those with lower cost of living, saving consumers more than \$150 billion.

But the sight of insurers pulling coverage from risky neighborhoods has threatened that consensus. The rapidly intensifying effects of climate-related disasters — notably the tens of billions of dollars in covered losses due to the Los Angeles wildfires — may ultimately push companies out of the state entirely.

"Times have changed," said **Amy Bach**, executive director of United Policyholders, a group which has tried to stake out a middle ground between insurers and more aggressive consumer advocates. "I'm trying to understand, is this actually hurting at this point? Or are we still helping consumers?"

Ideas about returning to the ballot are not circulating solely among those concerned about the cost of homeowners' monthly premiums, or whether they can get a mortgage. At a Sacramento event hosted last week by the Western Insurance Agents Association, a leading insurance lobbyist proposed amending Prop 103 so that lawmakers could change the state's insurance regime without having to go back to voters each time — although he says it was just a thought exercise.

"I floated the idea, but I haven't talked to anyone in the insurance industry about it," **Sam Sorich**, the association's vice president for legislative affairs, told Playbook. "It was just a proposal that I thought

someone might be interested in.”

Consumer Watchdog, which made its name after overcoming nearly \$80 million in industry spending to pass Prop 103, is not ready to leave the 2026 or 2028 ballot to its longtime antagonists. The group has long contemplated an initiative that would require insurance companies to provide coverage to residents who fireproof their homes and to offer written justifications when coverage is denied.

“If they want to start a war, we’re happy to finish it,” Consumer Watchdog president **Jamie Court** said of any insurance industry effort to revisit Prop 103. “I don’t know how they think any ballot measure financed by the insurance industry is going to win.”

But Bach, who described her consumer advocacy group as “less ideological” than Consumer Watchdog, said insurance companies may have a point about Prop 103. The process it established for rate increase approval is too long and arduous, she says, and should be expedited to keep insurance companies in the state.

“We’re out here bringing a shit ton of solutions, and you’re shooting down every one of them,” Bach said of Consumer Watchdog. “They will leave, they have left — we’re in a new era here, and I don’t think they get that.”

**NEWS BREAK:** Death toll in Texas floods rises above 100 ... Los Angeles Mayor **Karen Bass** calls federal immigration agents descending on LA’s MacArthur Park ‘absolutely outrageous’ ... Gov. **Gavin Newsom**, state leaders mark six months since the start of Los Angeles fires.

A highly subjective ranking of the ballot measures — past and future, certain and possible — getting our attention this week.

**1. \$25 minimum wage (San Diego, 2026?):** San Diego’s business community is preparing to mount a referendum campaign to overturn a \$25-per-hour minimum wage for hotel and entertainment workers currently moving through the city council. The looming conflict parallels the labor-versus-tourism industry ballot battle now playing out over Los Angeles’s new \$30 “Olympic” wage.

**2. Minimum wage referendum (Los Angeles, 2026):** A probe into the tactics used by the airline-funded petition carriers who delivered 140,000 signatures to the LA clerk’s office is heating up. The city

council, which approved the wage increase now being challenged at the ballot, last week approved a motion calling on the Los Angeles Police Department and City Attorney to investigate claims of misleading street tactics by the LA Alliance for Tourism, Jobs and Progress (which the group denies).

**3. Prop 57 (2016):** The movement to revisit a decade-old initiative delivering parole to non-violent criminals is gaining momentum. Relatives of crime victims, who say the measure is being abused to also parole violent offenders, gathered this morning at the Kings County courthouse and are planning a Sacramento protest as potential precursors to a ballot campaign. “They aren’t big media types,” said **Andrew Clark**, a campaign strategist for Change.org, where the event was organized. “They’re trying to band together as one voice.”

**4. Transit funding (Bay Area, 2026):** The proposed switch from a sales tax to one paid by businesses as a funding mechanism for BART system improvements will be debated today by lawmakers. SB 63, which would send the measure to at least three county ballots, is before the Assembly Transportation Committee. The fight there pits transit advocates and system operators, who contend the sales tax is regressive and polls poorly, against the powerful Bay Area Council. Its corporate members would bear the cost of a gross-receipts tax, but also would pony up for the campaign to sell a tax at the ballot.

**5. Measure K (San Francisco, 2024):** A lawsuit challenging the authority of an initiative that created a new park on San Francisco’s coast last year is moving forward in San Francisco County Court. The plaintiff, former supervisor candidate Matthew Boschetto, argues the measure closing a seaside thoroughfare exceeded “the limited authority given to cities and counties to legislate in the field of traffic control.” The case will be heard in September.

**6. Measure ULL (Dublin, 2024):** Open-space activists Save Mount Diablo and Friends of Livermore have filed a CEQA lawsuit against Dublin’s expanded urban limit line. After failing to get a measure removed from last fall’s ballot, the plaintiffs are now arguing in Alameda County Superior Court that the city of Dublin did not consider its environmental impacts before placing the question before voters. A ruling is expected in the next 90 days.

**7. Measure ULA (Los Angeles, 2022):** The Los Angeles City Council approved a spending plan for the largest tranche of money yet generated by a voter-approved “mansion tax.” The revenue, from a tiered transfer tax on property sales over \$5 million, will be directed toward homelessness programs and the construction and preservation of affordable housing.

**INDEPENDENT REDISTRICTING COMMISSION (2010):** Advisers to Gov. **Gavin Newsom** have floated the idea of forcing a mid-decade redraw of the state’s congressional districts, an explicit act of partisan gerrymandering to offset a similar push underway in Texas, the Texas Tribune reported late last week.

But any effort to do that in California would run up against a seemingly insurmountable hurdle: a pair of citizen-initiated constitutional amendments, promoted by Gov. **Arnold Schwarzenegger**, designed to insulate the redistricting process from exactly the type of meddling by politicians that Newsom now proposes.

In 2008, voters narrowly passed Proposition 11, creating the 14-member California Citizens Redistricting Commission to draw boundaries for state legislative districts. Two years later, Proposition 20 asked voters to extend the commission’s authority to U.S. House districts, as well — drawing opposition from the California Democratic Party and then-Speaker **Nancy Pelosi**.

“One of the criticisms of Props 11 and 20 is that they wouldn’t allow California lawmakers to draw district lines meant to increase Democrats in the House,” Loyola Marymount University law professor **Jessica Levinson** told Playbook. “The people of California gave the power to draw district lines to an independent commission, and by doing so, took away lawmakers’ power to politically gerrymander districts.”

That suggests Newsom’s idea is a dead letter, little more than an effort to impress Democrats outside California with his instinct for partisan conflict. (It may also explain why his advisers appear to have leaked it to an Austin-based politically-minded news organization and not, say, one based in Sacramento.)

The ACLU filed suit in **Kansas** to block a proposed abortion ban from appearing on the 2026 statewide ballot, arguing it violates the state’s single-subject rule because it would also ban transgender health care for minors ... **Arizona’s** Republican-led state legislature placed an initiative on the November 2026 ballot to designate drug cartels as terrorist organizations and call on the state’s homeland security department to “do everything within its authority” to combat them, after Democratic Gov. **Katie Hobbs** vetoed a similar proposal in 2023 ...

A coalition of environmental groups in **Michigan** is launching an effort to place an initiative on the November 2026 ballot that would ban corporations with large government contracts from making

political contributions to candidates or sitting elected officials ... A federal judge in **Florida** plans to weigh in within the next week on the state's new law restricting the initiative process after hearing more than eight hours of oral arguments on the issue ...

After failing to gather enough signatures for the 2024 ballot, a **Nebraska** anti-tax group is launching a new push for a constitutional amendment that would abolish property, income and inheritance taxes in the state ... And a special panel appointed by **New York City Mayor Eric Adams** is drafting at least five measures for the November 2025 ballot, including several that would make it more difficult for the City Council to halt new housing projects and one that would move local elections to even years.

**SAVE PROP 13 ACT:** Attorney General Rob Bonta is due by July 16 to issue title and summary for two constitutional amendments that would make it harder to pass local taxes and fees. Here's our guide to the language each side hopes to see.

**What the Yes side would like:** The amendment's backers want it stressed to voters that the changes they're asking for — raising the voter threshold to two-thirds for various local taxes — are nothing new. Rather, the proposal represents a restoration of the threshold voters passed in 1978, but was changed in 2017 when the California Supreme Court's Upland decision determined citizen initiatives were not covered under Prop 13's definition of "local government."

"A fair and objective title and summary would say, 'Restores the two-thirds vote requirement for special taxes contained in Prop 13,'" Howard Jarvis Taxpayers Association president Jon Coupal told Playbook. "That is a factually accurate statement and we would be more than happy with that."

**What the No side would like:** Anything that ties this measure to last year's failed Taxpayer Protection Act, a broader measure raising the voter thresholds for taxes and fees that the California Supreme Court booted from the ballot. The amendment's opponents were probably cheered by the analysis released last week by the Legislative Analyst's Office estimating that the measure could cause a loss of "up to a couple of billion dollars" in existing local-government revenue.

... **OAKLAND:** For years, former city manager **Steven Falk** has believed that the greatest problem with Oakland's city government is its org chart. The mayor has no vote on the city council or direct role in policymaking. The city council, in his view, is disconnected from the day-to-day operation of the city. The city attorney is elected, rather than appointed, leading to tension with the council. And perhaps most

importantly, the city administrator comes and goes with the mayor, leading to high turnover.

“What occurred to me when I arrived in Oakland in 2020 is that the city organization seemed more dysfunctional than other cities where I had worked,” said Falk, whose résumé includes stops in nearby Richmond and Lafayette. “And the longer I worked there the more evident that it became that it wasn’t the people, but rather the organizational structure that was holding Oakland back.”

Since December, Falk’s group the Oakland Charter Reform Project has been campaigning for a charter amendment that proposes a “unitary strong-mayor” system that would resolve those issues by giving the mayor a vote on the city council and potentially a veto, among other changes. In newly sworn-in Mayor **Barbara Lee**, who listed charter reform as one of her 10 priorities while seeking the office in a special election, he finds an ally at the top of city government. But in order to get a charter amendment before voters, Falk and Lee will have to run a bureaucratic gauntlet in the narrow window before the regularly scheduled mayoral election just a year and a half away.

Because charter amendments can only be placed on the ballot during a general election, Falk is aiming for June or November 2026. The problem with November is that the race will also feature elections for mayor, auditor, and city attorney, meaning candidates would be running for positions that would be affected by any proposed charter amendments.

But in order to get the amendment on that June ballot, it would need to be in the hands of the city attorney by January, and then formally referred by city council in March. That leaves just five months for Lee to create a task force, allow for community conversation, and write draft legislation.

“It could be done,” Falk said. “But it’s tight.”

The alternative is to push the charter amendment vote to 2028 or beyond. But beyond the urgency of fixing a problem sooner rather than later, that timeline also poses the risk of Lee losing reelection — or the mayor, who turns 79 next week, choosing not to seek another term. If the city’s next mayor is less amenable to charter reform, Falk’s group would have to turn to a citizen’s initiative and gather about 50,000 signatures to place the amendment on the ballot.

“It wouldn’t be our preference to go to 2028,” Falk said. “We think Oakland needs improvement now.”

**... HEADED FOR RETIREMENT:** Californians have seen ballot measures on a wide variety of questions related to the state's retired and elderly residents, including to:

Fund pensions for those older than 60 (\$100 monthly if unmarried, \$150 jointly if married) through a new tax on wholesalers and retailers (1934, did not qualify) ... Provide pension payments to aged citizens regardless of their financial ability or relatives', while declaring that receiving a pension will not be considered an "act of indigence or pauperism" (1940, did not qualify) ... Create an Old Age Pension Board appointed by the governor with jurisdiction to conduct baseball and football sweepstakes to finance pensions (1940, did not qualify) ... Increase monthly payments to aged people who meet the requirements of the state's welfare code (1954, failed) ... Provide medical and hospital care to residents 65-plus, financed with a new state income tax (1961, did not qualify) ... Cut benefits from public-employee pensions and raise the retirement age to receive them (2007, did not qualify) ... Exempt senior citizens from state income and property taxes (2009, did not qualify) ... Increase the retirement age to 65 for teachers, peace officers and other public employees, or to 58 for sworn public safety officers (2011, did not qualify).