

21ST CENTURY CITIES INITIATIVE

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2018: The Year of the Ballot Measure?

By Mac McComas and Siena DeMatteo | February 2019

Introduction

The 2018 midterm elections witnessed a growth in attention to ballot measures as a method of passing new legislation across a variety of policy areas at the state and local levels.^{i, ii, iii} Most of the focus of news media was on impactful state level measures like the passage of Florida's Amendment 4, which restored voting rights to ex-felons. While ballot measures are more well-known for appearing on statewide ballots in places such as California and Colorado, they are also featured on city and county ballots.

In their book *The New Localism*, Bruce Katz and Jeremy Nowak argue that “power is shifting in the world: downward from national governments and states to cities and metropolitan communities.”^{iv} In the wake of federal dysfunction, seen most recently in the government shutdown, localities are exploring new ways of investing, governing, and financing action at the local level. Ballot measures represent one avenue for policymakers and citizens alike to operate and legislate in the age of “new localism.”^v

What issues are cities addressing through the use of the ballot measure? Have they changed over time? Are some cities using the ballot measure more than others? In the following policy brief, we review recent trends in use of the ballot measure in 14 U.S. cities.



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Local Considerations and Differences

Each locality faces unique barriers when it comes to making use of the ballot measure. States can prohibit the technique entirely in their constitutions or [preempt](#) localities on which issues they can address. For example, Alabama passed a law preventing municipalities such as Birmingham from setting their own minimum wage, effectively banning them from legislating on the issue, although it is now [being challenged in courts](#). Once passed, ballot measures can be repealed by state and local legislators. There is already [evidence of a backlash](#) from the November 2018 election. Threats like these may reduce the likelihood that ballot measures are put to a vote on issue areas that legislators are known to not favor.

The extent to which a locality ‘needs’ to have ballot measures also depends on levels of state funding and priorities. Baltimore City approved a ballot measure in 2016 to address a lack of funding for youth programming through the Children and Youth Fund, joining a growing list of cities with [similar funds](#). However, other localities might not view this type of fund as a necessity because their state or municipality already provides adequate funding for such programming. While state government can be an obstacle in the legislative process for localities, recent federal administrations have changed their approach to working with localities, moving from a top-down approach to working hand-in-hand with communities or devolving responsibility. During the Obama administration, localities were given more freedom to determine their own housing policies, and recently, the Trump administration provided similar flexibility with [Opportunity Zones](#).

There is some difficulty in categorizing ballot measures across cities and localities, given regional variance and state law that legislates how localities can implement ballot measures. Some cities exclusively vote on bond issues, whereas others require a public vote to amend the charter and thus include many amendments on their ballots. The concept of the ballot measure has understandably grown in scope since 1897, when Nebraska was the first entity to embrace it.^{vi} On the whole, the potential to vote on and enact ballot measures holds government more closely in line with public opinion and gives localities an alternative method to approve significant investment and governance legislation. In essence, it enables a form of ‘direct democracy’ in which citizens and local policymakers can bypass higher levels of legislature and address substantial concerns that may otherwise go ignored.^{vii}

Recent Trends

Baltimore City is a good starting point for witnessing the significance of ballot measures on the local level. As an independent city, it has no other form of local government. It featured nine measures on the 2018 ballot and has not had one voted down since [2004](#), when a [charter amendment](#) to lower the minimum age for members of the City Council from 21 to 18 failed (a measure on this issue ultimately passed in [2011](#)).

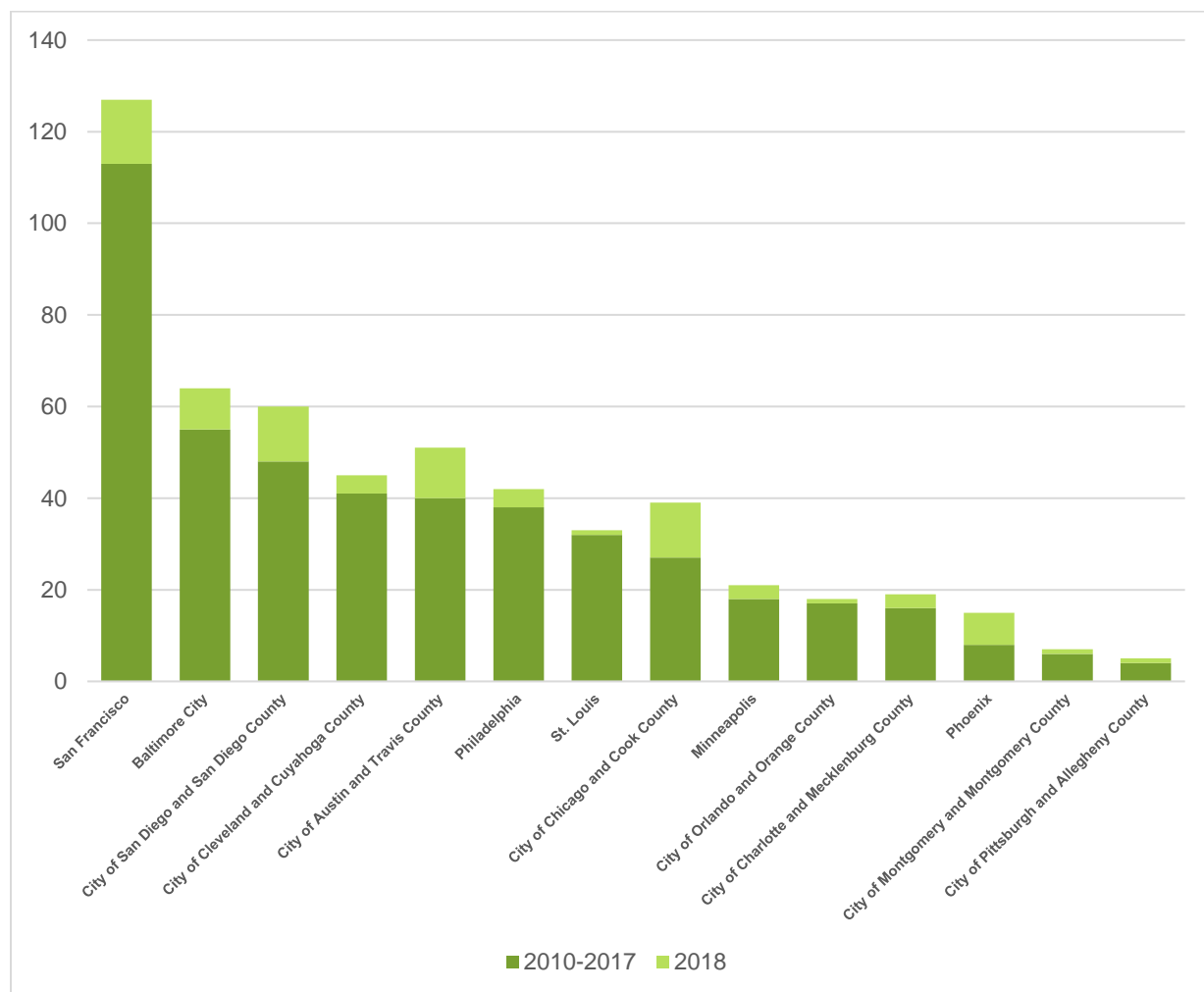
A review of ballot measures across 14 American cities and counties from 2010 to 2018 shows a variety of issue areas and level of interest in different localities. Measures are prominently featured on most general election ballots, and occasionally during primary or special elections. Ballot measure success rates varied across localities from up to 100 per cent of the time, as seen in Baltimore City, to only two-thirds of the time in San Francisco. The number of ballot measures in each locality differed greatly, from 127 in San Francisco to just five in the City of Pittsburgh and Allegheny County (see Figure 1 on page 3). Most ballot measures dating back to 2010 were



expansionary in nature (those that expanded fiscal policy space), such as a 2014 measure in Orange County that established [earned sick time](#) for local business employees. Those that were bond issues rarely failed. It is difficult to draw sweeping conclusions from trends across the years, as low voter turnout in one election cycle can reduce the signatures required for a petition in the next cycle, thus increasing the odds of the petition appearing on the ballot. Major changes to local legislature or budget deficits can also prompt increased use of the ballot measure.

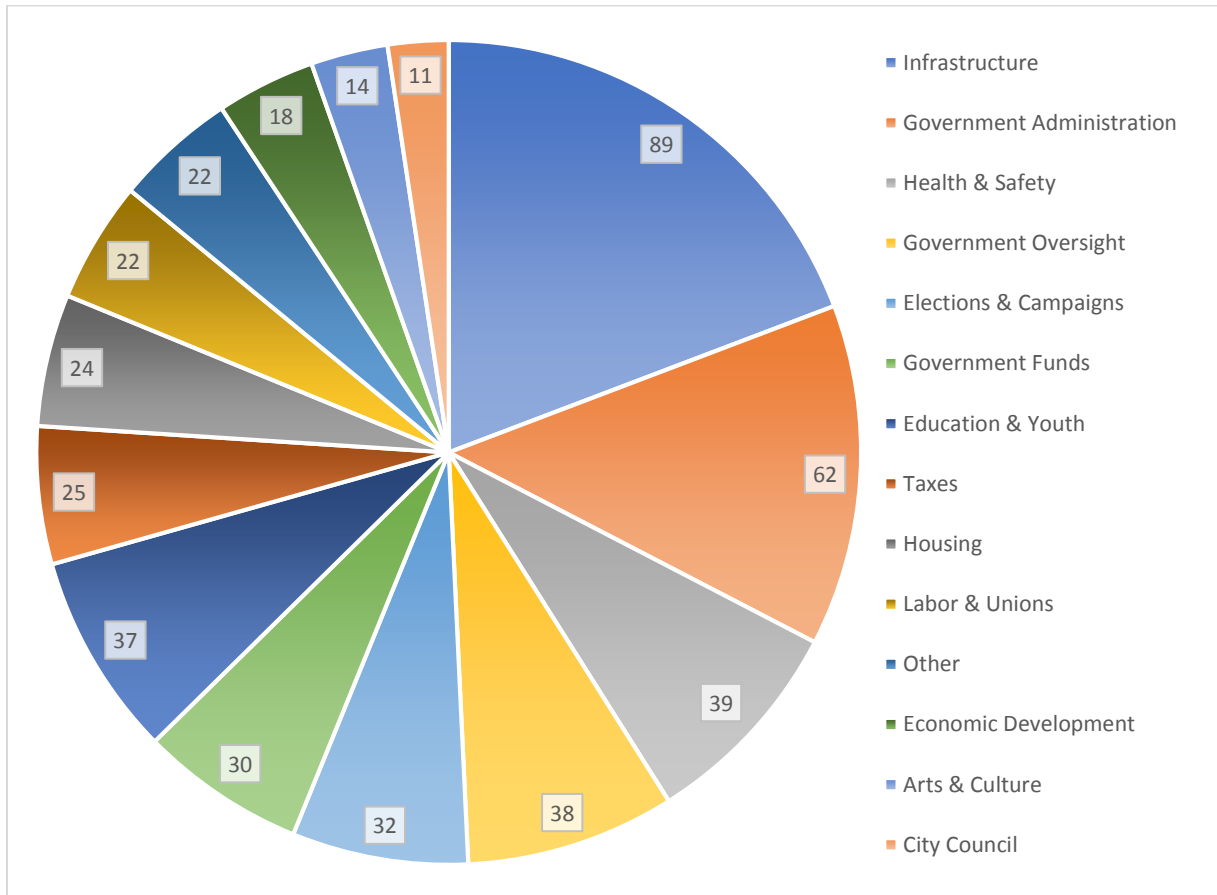
As noted by the Public Policy Institute of California, it is logical for ballot measures to be used frequently in major cities.^{viii} They have large populations, high proportions of Democratic or independent voters, residential mobility, and income diversity. All of these traits lead to a dynamic voter base and evolving local needs, which can be promptly addressed through ballot measures. Newkirk also points to the “big sort,” a phenomenon that describes how like-minded Americans tend to geographically self-segregate.^{ix} This explains why ballot measures are consistently abundant in the west and hardly used in the south. In 2002, Matsusaka found that a city is 40 per cent more likely to make use of the ballot measure if their state does the same.^x Despite 2018 not being a presidential election year, all cities analyzed had at least one measure on the ballot.

Figure 1 – Ballot Measures in 14 U.S. Cities, 2010-2018



While cities and local government authorities used the ballot measure to address a wide variety of urban issues, they focused most on housing, government oversight, taxes, and education. Some other notable themes include arts and culture, economic development, minimum wage, campaign financing, and environmental regulation.

Figure 2 – 463 Ballot Measures by Issue Area.



Housing

As noted by the National Low Income Housing Coalition, localities have taken up the issue of housing shortages and affordability and increased public visibility of the issue through ballot measures.^{xi} Measures that address affordable housing and affect median rent prices were especially prevalent in San Francisco and Baltimore City. San Francisco has a limited housing stock and high median house price, whereas Baltimore City has the [fifth-largest public housing stock](#) in the country, and more than half of its tenants are rent-burdened. Eight of 14 cities analyzed provided funding and supervision for affordable housing programs. Out of 27 measures, 19 of them passed. Some cities, like Baltimore City, proposed borrowing as a means of funding, whereas others, like the City of Austin, authorized the issuance of [general obligation bonds](#).



The cities of Austin and San Francisco had measures that would have financed affordable housing projects or [discouraged high rates of property turnover](#) by imposing additional taxes, but they both failed. In San Francisco, a 2015 measure that would have [limited short-term rentals](#) of a housing unit to a maximum of 75 days per year also failed. In 2018, a notable measure passed in San Francisco to provide legal representation for all residential [tenants facing eviction](#).

Government Oversight

Government oversight was another common issue area, with ballot measures on audits, ethics, and strengthened accountability. Measures in Baltimore City in [2012](#) and [2016](#) established the regularity of audits, and voters in Cuyahoga County ensured the [autonomous operation](#) of its auditing function in 2015. While the county failed to pass a measure to feature members of the public on its Audit Committee in 2014, voters in the City of San Diego approved one in [2018](#). In the City of Austin's 2018 election, a ballot measure to require audits to be done by a [third-party consultant](#) failed.

The [City of San Diego](#) and [San Diego County](#) passed two measures in 2018 to ensure ethical governance. The county measure preserves balanced representation in unincorporated areas, while the city measure sets out ethics guidelines for elected officials and modifies the determinants of their compensation. Another measure passed in the city's 2016 primary to [fix salaries](#) and compensation schedules.

In 2018, measures in Cuyahoga County and Baltimore City created and secured independence for the position of Inspector General, respectively. In 2016, police review boards were modernized in San Francisco, San Diego, and the City of Cleveland, where at least one member of the board must now be [between the ages of 18 and 30](#) when appointed.

Taxes

When not proposed as bond issues, major infrastructure initiatives and upgrades are financed by a tax levy. These ballot measures are understandably less popular among citizens, yet they are still frequently encountered. Beyond the notion of taxes detracting from one's income, Katz points out that consumption taxes are particularly controversial because they disproportionately affect voters of low socioeconomic status.^{xii}

In 2017, St. Louis had two successful ballot measures that imposed a 0.5 per cent sales tax, one to fund [public safety](#) and the other to promote [economic development](#). That same year, a measure to devote tax revenue to [minority job training and business development](#) failed. In 2015, Cuyahoga County passed the extension of a sales [tax on wholesale cigarettes](#), allocating proceeds to support arts and culture. Additional city and county taxing measures were passed to support [libraries](#) in Cleveland, the [port authority](#), [public schools](#), and [health and human services](#). To fund its [public schools](#), Minneapolis passed a ballot measure in 2018 increasing property taxes. A 2014 primary election ballot measure in Orange County also [increased taxes](#) for school construction, renovation, and technological retrofitting.

Innovative taxing measures on the west coast have been popular among voters. In 2012, Austin had several questions on the ballot that were [a combination](#) of a bond issuance and tax levy. In 2016, San Francisco voters passed a measure to impose a tax on distributors of [sugar-sweetened beverages](#), after a similar measure [failed in 2014](#). Last year, the city also had a measure pass that



would impose a tax on businesses to support [services for the homeless](#). Measures in [San Diego County](#) and [San Francisco](#) that would have raised the total sales tax rate to 8.5 per cent and 9.25 per cent, respectively, failed in 2016.

Education

Several cities had questions on their ballots regarding the governance, expansion, and funding of schools. In 2018 elections, the cities of [San Diego](#) and [Philadelphia](#) approved ballot measures to update the governance structures of their respective public school systems. The former enacted term lengths and limits for members of its school board, while the latter asserted the board's autonomous capabilities and separation from the state.

Baltimore City frequently puts bond issues to fund their school system to a vote. It also established a [non-lapsing fund](#) to modernize schools as a result of a measure that passed in 2011. In 2016, voters in the City of Chicago overwhelmingly voted to [have the State of Illinois fund](#) Chicago Public Schools. A 2016 measure that would have permitted the growth of [charter schools](#) failed. In the 2015 primary, the City of Philadelphia passed a measure to explore the possibility of [universal pre-k](#), and in 2012, Orange County had one about [reducing overcrowding](#) in schools that passed.

Looking Ahead

The ballot measure is a versatile tool policymakers can use to grab the attention of constituents who want their legislative aspirations to come to fruition. Ballot measures are one of many indicators that show what issues are important to local residents through direct democracy. The ballot measure shows no signs of slowing down in terms of popularity, and may be increasingly utilized by local governments and citizens as federal gridlock adversely impacts localities. With the progression of the “metropolitan revolution,” state and federal preemption may receive stronger pushback from localities, partly due to the power of the ballot measure.^{xiii} Even though the ballot measure are sometimes blamed for budget deficits and insufficient school systems, these shortcomings are not exclusive to cities and counties that use it. As localities continue to allow their voters to decide issues of great importance, they can make an effort to [partner](#) with the federal government to ensure maximum prosperity.

ⁱ Newkirk, Vann. American Voters Are Turning to Direct Democracy. The Atlantic. April 18, 2018.

<https://www.theatlantic.com/politics/archive/2018/04/citizen-ballot-initiatives-2018-elections/558098/>.

ⁱⁱ Arnosti, Nathan and Pagano, Michael. How the 2018 Elections Reshaped State and Local Governments' Fiscal Policy Space. Brookings. November 21, 2018. <https://www.brookings.edu/research/how-the-2018-elections-reshaped-state-and-local-governments-fiscal-policy-space/>.

ⁱⁱⁱ Goldstein, Dana and Johnson, Kirk. Voters Weigh in on Key Issues Through More Than 150 Ballot Initiatives. New York Times. November 6, 2018. <https://www.nytimes.com/2018/11/06/us/politics/ballot-initiatives-referendum.html>.

^{iv} Katz, Bruce and Nowak, Jeremy. The New Localism. Brookings. January 9, 2018. <https://www.brookings.edu/book/the-new-localism/>.

^v Ibid.

^{vi} Holder, Sarah. The Ballot Initiative Returns to its Progressive, Populist Roots. CityLab. November 26, 2018.

<https://www.citylab.com/equity/2018/11/ballot-initiative-populist-history-voter-turnout-progressive/575518/>.

^{vii} Newkirk, Vann. American Voters Are Turning to Direct Democracy. The Atlantic. April 18, 2018.

<https://www.theatlantic.com/politics/archive/2018/04/citizen-ballot-initiatives-2018-elections/558098/>.

^{viii} Gordon, Tracy. The Local Initiative in California. Public Policy Institute of California. 2004.

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- ^{ix} Newkirk, Vann. American Voters Are Turning to Direct Democracy. The Atlantic. April 18, 2018. <https://www.theatlantic.com/politics/archive/2018/04/citizen-ballot-initiatives-2018-elections/558098/>.
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- ^{xi} Housing is Built with Ballots. National Low Income Housing Coalition. November 7, 2018. https://nlihc.org/sites/default/files/Housing-Ballots_Initiatives.pdf.
- ^{xii} Katz, Bruce and Nowak, Jeremy. The New Localism. Brookings. January 9, 2018. <https://www.brookings.edu/book/the-new-localism/>.
- ^{xiii} Lee, Jessica, Muro, Mark, and Katz, Bruce. Using Ballot Measures to Drive Economic Investment in States and Metropolitan Areas. Brookings. December 2013. <https://www.brookings.edu/wp-content/uploads/2016/06/BallotMeasures.pdf>.

