

Pros and Cons of the 2026 State Propositions

League of Women Voters



LWV Mission

- To encourage informed and active participation in government and increase understanding of major public policy issues.
- Proudly **nonpartisan**, we neither support nor oppose candidates or political parties at any level of government, but always work on vital issues of concern to members and the public.



What will we cover for each proposition?



- *Whether legislative or citizen initiative*
- *Background*
- *What proposition would do*
- *Fiscal effects*
- *Who supports or opposes it*
- *What are their arguments*
- *Who's paying to support or oppose it*

<https://voterguide.sos.ca.gov/>

Disclaimer about arguments for and against

- They come from supporters and opponents, as published in the Official Voter Information Guide.
- We cannot vouch for their accuracy.
- They do not represent our viewpoint.
- They reflect the supporters' and opponents' opinions and may not be based on facts.



California propositions and measures

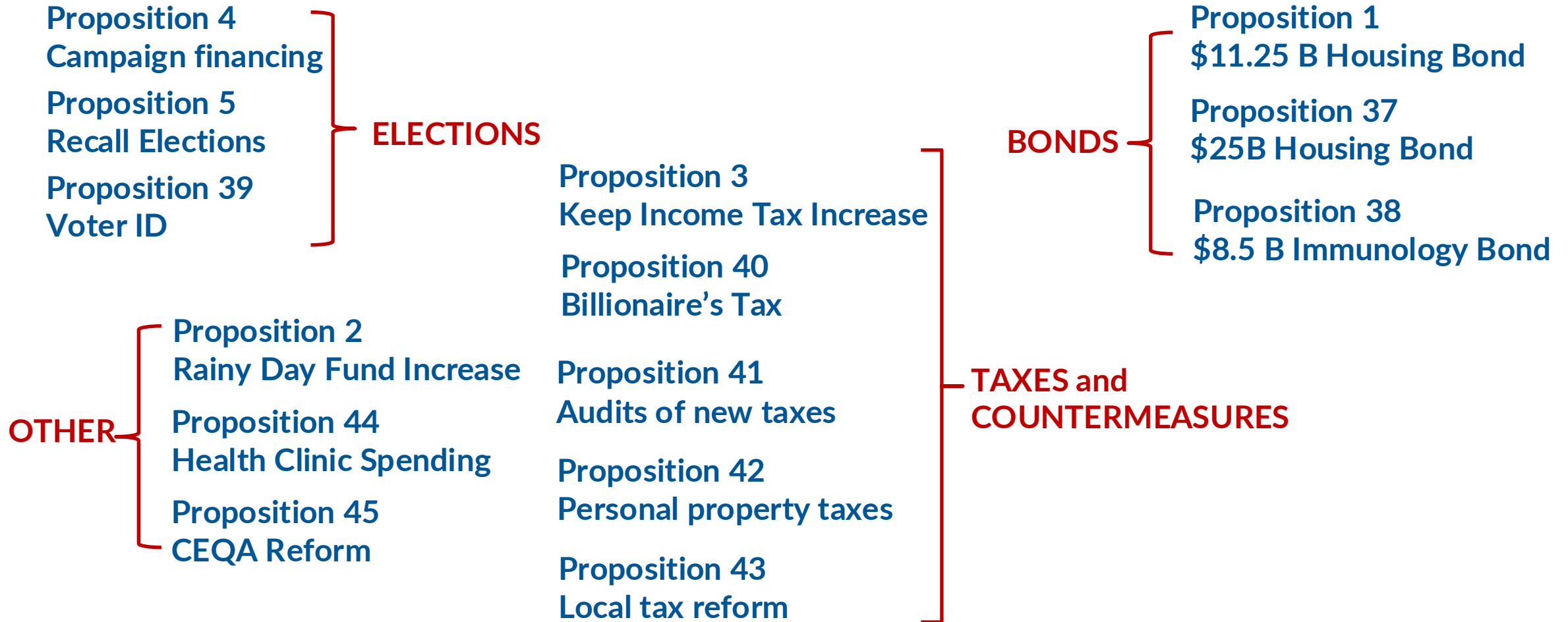
May be statewide, countywide, or local.

Can be placed on the ballot by the legislature or by citizens by collecting signatures

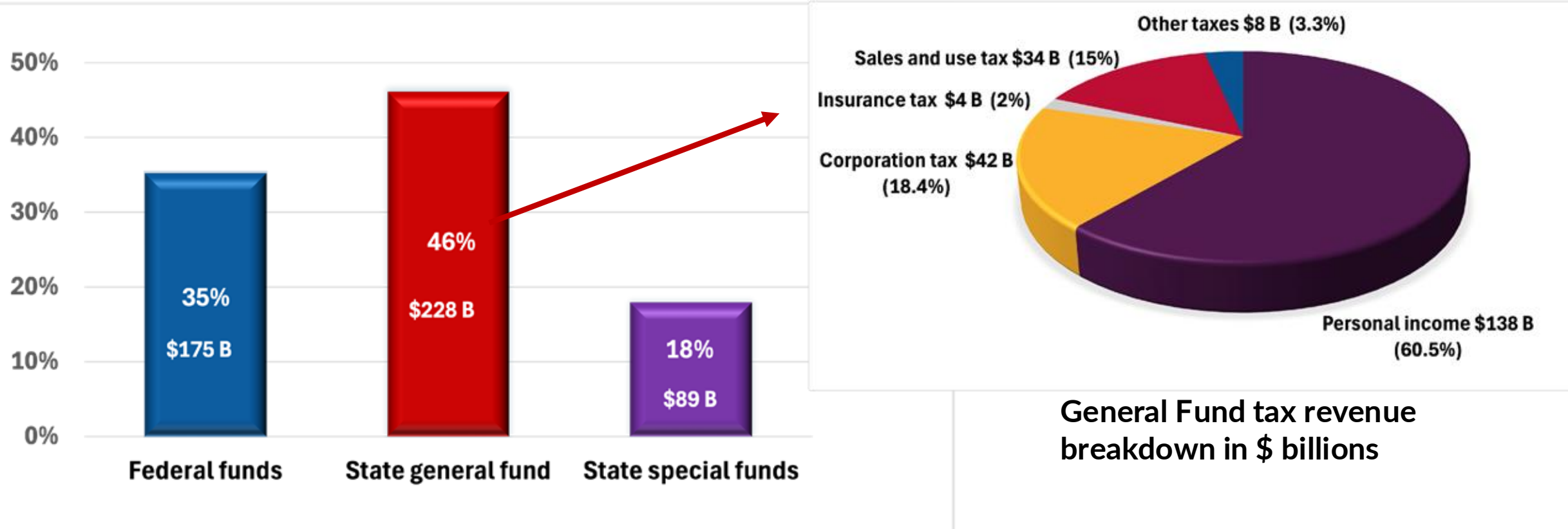
May create or change laws, change the constitution, create or change taxes, or create bond financing.

Statewide propositions require a simple majority of yes votes to pass.

November 2026 Propositions



2025-26 State revenue: \$496 billion



What is the “state appropriations limit”?

The California State Appropriations Limit, aka the Gann limit, is a constitutional cap on how much tax revenue state and local governments can spend each year (1979 spending levels).

- Applies to both general fund taxes and most special taxes.
- Any tax revenue raised above that limit must be returned to taxpayers as rebates and/or spent on specific infrastructure projects or K-12 education.

**Important to understand for Props 2, 40, and 41!*



Proposition 2 Increases State's Rainy Day Fund

Should the state increase the amount that can be saved in the Budget Stabilization Account from 10% to 20% of General Fund revenue?

Background on Prop 2

- **The Budget Stabilization Account (BSA)** is the state's largest "rainy day" savings fund.
- The state is required to save a certain amount into the BSA each year. The state must also use an equal amount to pay off debts.
- **The total amount that can be saved in the BSA cannot exceed 10 % of the General Fund revenue.**
- Deposits into the BSA are counted towards the state appropriations spending limit.

If approved, Proposition 2 would



Increase the amount that can be saved in the BSA to 20% of the General Fund revenue.

Also increase the amount that could be used to pay off debt each year.

Deposits into the BSA would not be counted towards the state spending limit but withdrawals would.

Fiscal effects

- State budget reserves could be higher.
- More reserves would make balancing the budget easier in years when state revenues are lower.
- The state could also pay off more debt each year.

<https://lao.ca.gov/>





Supporters

- Jesse Gabriel, State Assemblymember
- CA Professional Firefighters
- Los Angeles Chamber of Commerce
- CA Hospital Association
- CA State Board of Education
- CA Primary Care Association

Supporters say:

- The state should save more rather than spend more when tax revenues spike.
- Funding for schools, healthcare, and public safety during economic downturns needs to be ensured.
- Saving more increases California's future financial security.



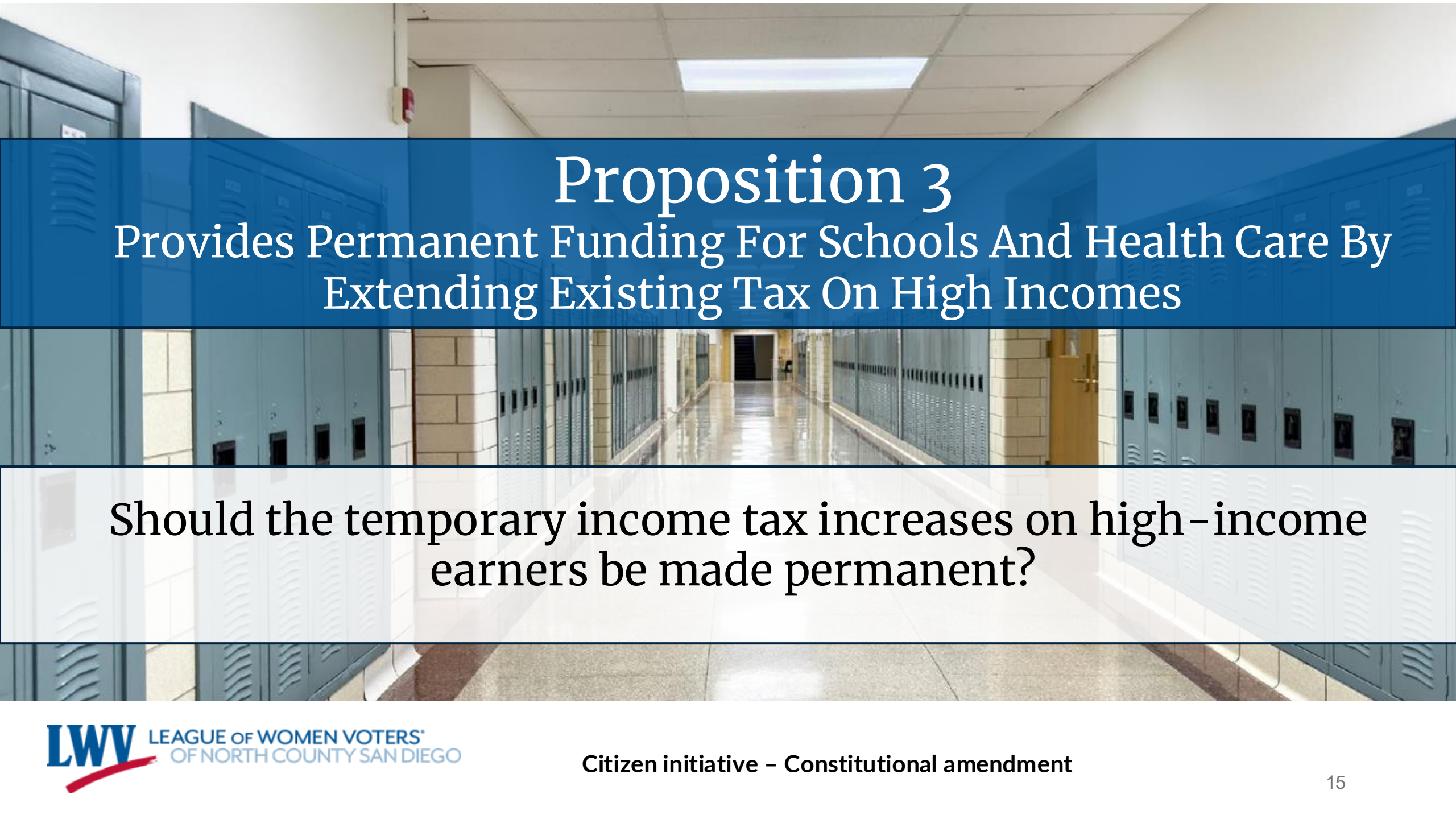
Opponents

- David Tangipa, State Assemblymember
- Steven Choi, State Senator
- Reform California

Opponents say:

- Prop 2 guarantees more spending not less.
- Tax revenues that exceed spending limits would be placed in the BSA rather than returned to taxpayers as rebates.
- It provides no new funding for education, healthcare, or public safety.

**No money has been raised for or against this proposition.*

The background of the slide is a photograph of a school hallway. On both sides of the hallway are rows of blue metal lockers. The floor is a light-colored, polished tile that reflects the overhead lights. The hallway leads to a doorway at the far end. A blue semi-transparent banner is overlaid across the top half of the image.

Proposition 3

Provides Permanent Funding For Schools And Health Care By
Extending Existing Tax On High Incomes

Should the temporary income tax increases on high-income
earners be made permanent?

Background on Prop 3

- In 2012, voters passed Prop 30, temporarily creating new higher income tax brackets for the state's highest earners.
- In 2016, voters passed Prop 55 which extended the new tax brackets to 2030.
- The extra revenue from the new taxes (~\$10 billion) is distributed primarily to K-12 and community colleges.
 - *People making more than \$371,000 a year now pay between 10.3% to 12.3% of their income in state taxes which accounts for about half of all collected state income tax.*

Proposition 3

- Does not create new taxes.
- Would make permanent the tax increases created by Prop 30 until changed by voters.
- If Prop 3 fails, the maximum tax rate would drop to 9.3% in 2031.

Fiscal effects

- Would maintain \$5-\$15 billion of additional state income tax revenue each year.
- 40% of the funding for schools and community colleges.
- Remainder to other state programs and reserves.





Supporters

- CA Teachers Association
- CA School Nurses Organization
- Planned Parenthood Affiliates of CA
- CA Professional Firefighters
- CA Federation of Teachers

Supporters say Prop 3

- Protects schools and healthcare without raising taxes.
- Maintains the current tax rates that the wealthiest 2% have paid for 15 years.
- Requires strict accountability and audits to ensure school funding gets to classrooms.



Opponents

- Howard Jarvis Taxpayers Association
- CA Taxpayers Association
- Family Business Association of CA
- CA Hispanic Chambers of Commerce
- Central Valley Business Federation

Opponents say:

- Californians already pay the nation's highest income, sales and gas taxes.
- Prop 3 makes permanent income taxes that were intended to be temporary.
- Waste, fraud, and reckless spending should be fixed before raising taxes.

Campaign Contributions as of September 24, 2026

Yes on Proposition 3

TOTAL = \$46,797,664

California Teachers Association Issues PAC	\$32,775,000
National Education Association	\$7,000,000
California Federation of Teachers COPE Prop Ballot Committee	\$1,750,000
California School Employees Association	\$1,500,000
SEIU California State Council for Working People	\$1,000,000

No on Proposition 3

TOTAL = \$5,500

Family Business Association of California Issues Political Action Committee	\$5000
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The background of the slide is a blurred photograph of a crowd of people. In the foreground, an American flag is visible, held by someone. The flag's stars and stripes are clearly seen. The overall scene suggests a public gathering or election event.

Proposition 4

Repeals Prohibition Against Public Funding Of Election Campaigns

Should the state lift the ban on using public funds for election campaigns?

Background on Prop 4

- State law prohibits local governments, except for charter cities, from using public funds to finance campaigns. This ban was enacted by passage of Proposition 73 in 1988.
- Five charter cities in California currently employ different public financing models for local races, including vouchers and matching funds.



If approved, Proposition 4 would

Repeal the current ban on public funding of campaigns.

Require candidates to meet strict criteria to qualify for public funds.

Prohibit the use of public funds for legal defense, fines or personal loans.

Proposition 4 does not create a public financing program. It simply gives the state and local governments the option to adopt one if they choose.

Fiscal effects

- Costs would depend on whether the state and local governments decide to adopt campaign funding programs and how those programs are designed.
- At the state level, it would incur estimated annual costs of a few hundred thousand dollars for legal staff to provide guidance on creating public financing programs.





Supporters

- Tom Umberg, State Senator
- CA Nurses Association
- League of Women Voters CA
- Common Cause CA
- CA National Organization for Women

Supporters say:

- Prop 4 would amplify the voices of everyday voters and increase the diversity of campaign contributors.
- Qualified candidates could compete despite income and wealth disparities.
- Candidates must meet strict eligibility criteria and abide by spending limits to qualify for public funds.



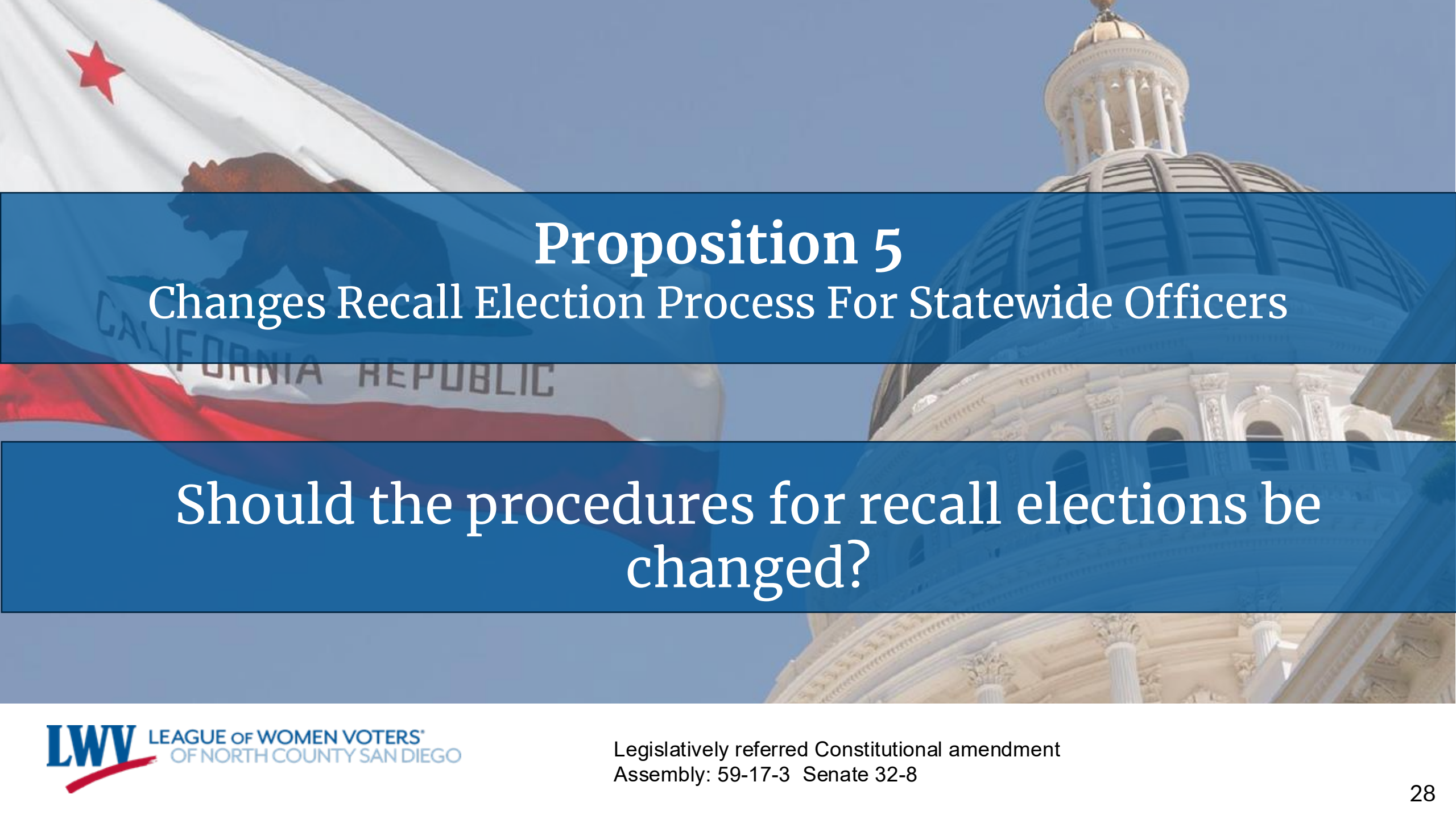
Opponents

- CA Taxpayers Association
- Howard Jarvis Taxpayers Association
- CA Hispanic Chambers of Commerce

Opponents say:

- Prop 4 could force taxpayers to finance political speech they do not wish to support, such as negative political ads.
- Prop 4 has no limit on the number of candidates who can get money and no limit on spending.
- Candidates could still raise money from special interests and get public funding too.

**No money has been raised for or against this proposition.*



Proposition 5

Changes Recall Election Process For Statewide Officers

Should the procedures for recall elections be changed?

Background on Prop 5

- Voters currently can remove (recall) a state official by a majority vote.
- In the same election, voters can also choose a replacement.
- *The candidate with the most votes wins even if less than a 50% majority.*



If approved, Proposition 5 would:

Eliminate the replacement election during a recall. If the recall vote is successful, the office would be filled either by appointment or special election depending on the office.

Require the winner of a replacement election to win a 50%+1 vote majority. If no candidate receives a majority, the top two candidates would face each other in a run-off election

If the governor is recalled, the Lieutenant Governor would become governor for the rest of the term or until a successor is elected.

Fiscal effects

- Could cost state and local government millions of dollars.
- Costs could result from running special elections to fill a vacant seat.
- If the recall fails, some savings from not having to print the second question and replacement candidates in the Voter Information Guide.





Supporters

- Common Cause CA
- League of Women Voters CA
- Josh Newman, State Senator

Supporters say:

- Prop 5 preserves voters' power to remove an officeholder by majority vote and prevents a replacement candidate from winning with only a small share of the vote.
- Recalls should remove officials who fail voters, not be a shortcut to overturn an election and install someone with little support.



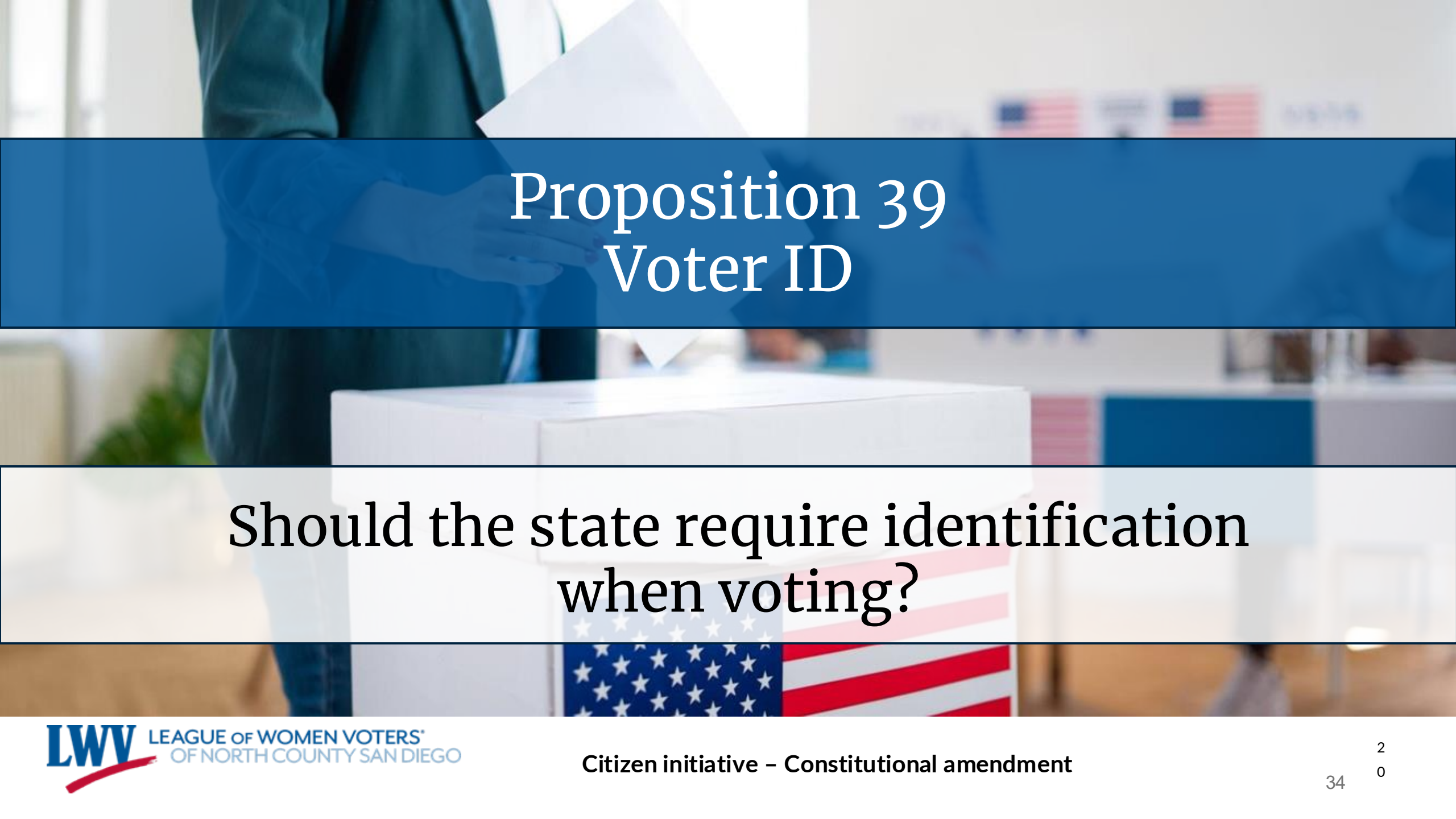
Opponents

- Brian Jones, State Senator
- Joe Patterson, State Assemblymember

Opponents say:

- Voters should keep the right to remove an official and choose the replacement at the same election, saving taxpayers money.
- Leaving a seat vacant for a later special election could delay the voters' call for change and allow the person recalled to run.

**No money has been raised for or against this proposition.*



Proposition 39 Voter ID

Should the state require identification
when voting?

Background on Prop 39

- U.S. citizenship is required to vote in federal, state and most local elections.
- California voters are not generally required to provide identification when voting.
- In 2024, the state enacted SB 1174, which prohibits any county from requiring voter ID.



Proposition 39 would

Require in-person voters to provide a government-issued ID at the polls.

Require mail-in voters to write the last four digits of the ID they used to register on the ballot envelope, and the numbers would have to match.

Provide new state-issued voter identification cards upon request.

Require state and local elections officials to verify US citizenship status of registered voters and to annually report percentage of each county's voters whose citizenship they have verified.

Fiscal effects

Costs of \$10 million to low \$100s of million each year to implement new voting requirements.





Supporters

- Californians for Voter ID
 - <https://www.voteridca.org/>
- CA Women's Leadership Association
- Latino American Political Association
- The Transparency Foundation

Supporters say Prop 39:

- Increases trust and confidence in our elections.
- Does not impact the ability to use mail-in ballots and other voting options.
- Provides free voter ID cards.



Opponents

- Alex Padilla, U.S. Senator for CA
- ACLU CA Action
- CA Nurses Association
- CA School Employees Assn.
- Common Cause CA
- League of Women Voters of CA

Opponents say:

- California's elections are already secure.
- This measure creates new, costly and unnecessary obstacles to voting affecting marginalized groups.
- Wastes hundreds of millions in taxpayer dollars.

Campaign Contributions as of September 28, 2026

Yes on Proposition 39

TOTAL = \$28,360,830

Richard Uihlein	\$17,000,000
Reform California with Carl DeMaio	\$3,103,480
Steven Bray	\$1,050,000
Nicole Shanahan	\$370,000
Perfect One Capital	\$300,000
Douglas Leone	\$250,000

No on Proposition 39

TOTAL = \$17,571,415

Tribal Council of Federate Indians Graton Rancheria	\$2,000,000
Quinn Delaney	\$1,500,000
Patty Quillin	\$1,500,000
California Democratic Party	\$1,000,000
Reed Hastings	\$1,000,000
Dignity CA SEIU-Local 2015	\$1,000,000

The background of the entire slide is a collage of various US dollar bills, including \$100, \$50, and \$20 bills, arranged in a pattern that creates a sense of depth and texture. The bills are slightly overlapping and have a soft, faded appearance, allowing the text to stand out.

Proposition 40 Billionaire Tax

Should the state impose a one-time tax on certain taxpayers to fund healthcare and education?

Background on Prop 40

- Wealth is the total value of what a person owns, including savings accounts, real estate, stocks, and personal property like vehicles, art, and jewelry.
- California has historically **taxed income rather than wealth**, although property taxes can be considered a tax on wealth.
- California is expected to lose about \$30 billion in federal Medi-Cal funding.
- California is home to about 186 billionaires.



If approved, Proposition 40 would

Establish a one-time 5% wealth tax on individuals and trusts that own over \$1 billion in covered assets etroactive to January 1, 2026 through to December 30, 2026.

Real property would be excluded from the net wealth calculation as it is already subject to its own property taxes.

Most of the money must be spent on health care, and this tax revenue would be exempt from some constitutional spending limits.

Fiscal effects

- Temporary tax revenue increase of tens of billions of dollars.
- Possible ongoing decrease in state income tax revenues of less than \$1 billion if some billionaires leave the state.
- State costs to administer the wealth tax could be tens of millions of dollars/year for several years.





Supporters

- Service Employees International Union – United Healthcare West (SEIU-UHW)
- Los Angeles College Faculty Guild

Supporters say:

- The healthcare system in California is on the brink of collapse.
- The federal legislation that caused these cuts also disproportionately benefits the wealthy so they should pay their fair share to support these social services.
- Wealth inequality is at its highest point in the country's history.



Opponents

- CA Medical Association
- CA Primary Care Association
- CA School Boards Association
- CA Taxpayers Association
- CA Teachers Association.
- State Building and Construction Trades Council of CA

Opponents say:

- Prop 40 is a poorly designed tax scheme that hurts the state economy and budget.
- It will drive wealthy taxpayers and their income tax revenue out of the state.
- A one-time tax does not result in stability of revenue nor solve the ongoing funding gap.

Campaign Contributions as of September 21, 2026

Yes on Proposition 40

TOTAL = \$31,597,930

Service Employees International Union – United Healthcare West (SEIU-UHW)	\$31,396,873
Hilary Perkins	\$100,000
Ross Boucher	\$50,000
Alan Davis	\$25,000

No on Proposition 40

TOTAL = \$67,770,000

Building a Better California	\$56,500,000
Chris Larsen	\$5,000,000
Ripple Labs	\$5,000,000
California Business Roundtable	\$450,000
Daniel Tierney	\$200,000



Proposition 41

Spending Limits and Audits for New Special Taxes

Should new state taxes be included in state spending limits and reviewed before voters approve them?

Background on Prop 41

- This proposition was proposed in response to Proposition 40.
- The billionaires' tax in **Prop 40** is a **special tax** that would go to funding public health care programs.
- The State Auditor is an independent and nonpartisan office in state government.
 - *The Auditor reviews how well the state and local governments follow the law, use money, and run their programs.*



If approved, Proposition 41 would

Prohibit the state from enforcing any tax (on or after January 1, 2026) that is exempted from the state appropriations limits.

Require the State Auditor to review each program that would receive funds from a new or increased special tax proposed before it is voted on.

Require a summary of the State Auditor's review to appear in the voter information guide before the vote.

Fiscal effects

- Net effect not known.
- Increased State Auditor costs, mostly paid by new revenues.
- Higher costs to print and mail a longer Voter Information Guide containing auditor reviews.
- Possible savings if State Auditor recommendations are implemented.





Supporters

- CA Asian Pacific Chamber of Commerce
- CA Society Of Certified Public Accountants
- CA Taxpayers Association

Supporters say Prop 41:

- Provides accountability, transparency and trackable progress of programs funded by our taxes.
- Require public audits before special taxes are voted on.
- Will ensure that programs deliver on their promises and funding.

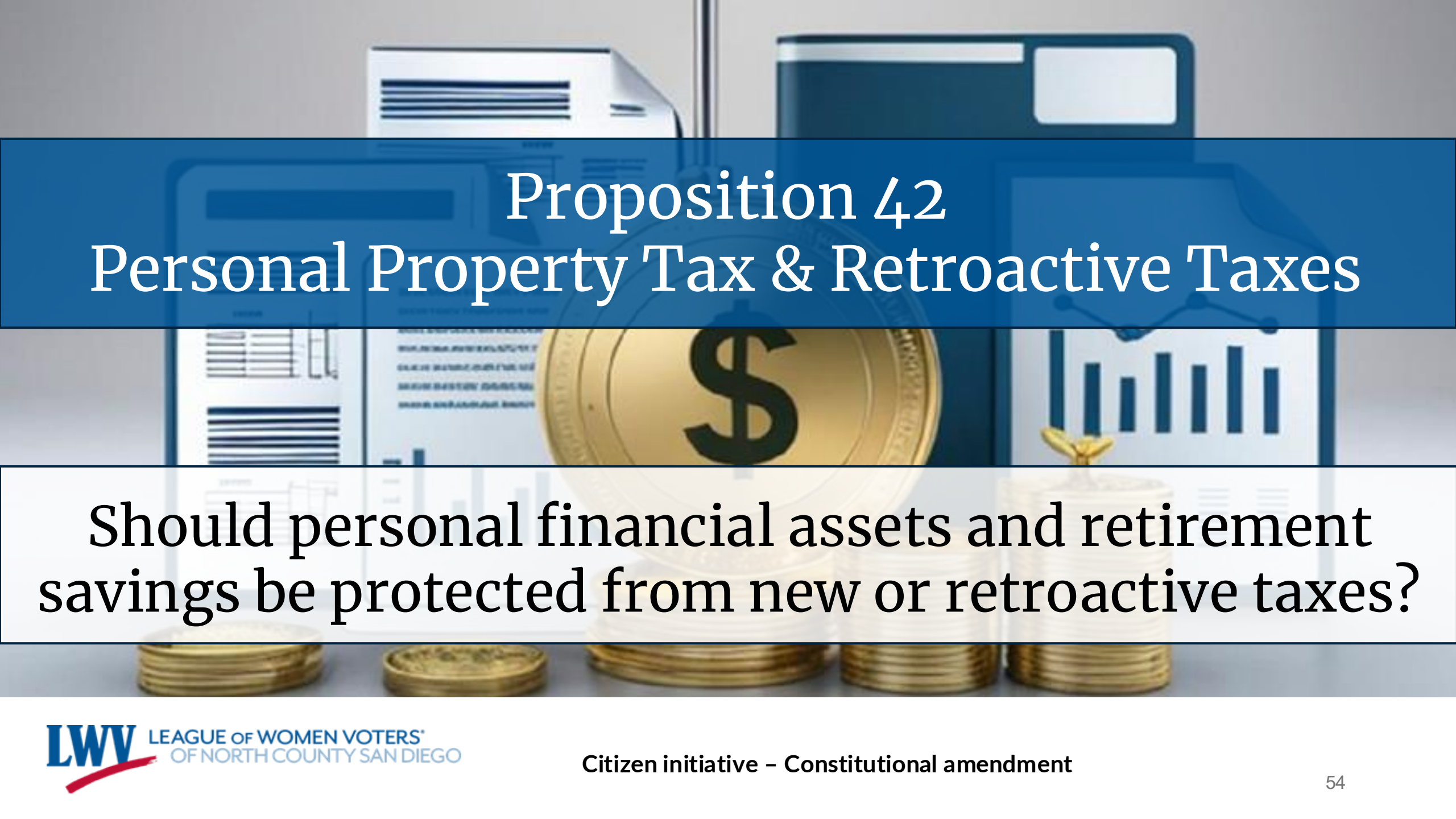


Opponents

SEIU-UHW, Service
Employees International –
United Healthcare Workers
West

Opponents say Prop 41:

- Is designed specifically to cancel out Prop 40.
- Is funded by billionaires who don't want to pay their fair share.
- Would cost the state time and money.



Proposition 42

Personal Property Tax & Retroactive Taxes

Should personal financial assets and retirement savings be protected from new or retroactive taxes?

Background on Prop 42

This proposition was proposed in response to Proposition 40.

- ***Personal property*** is everything a person owns other than land or real estate.
- There are two types of personal property:
 1. tangible (e.g., furniture, vehicles)
 2. intangible personal property (e.g., stocks, bonds, intellectual property)
- Personal financial assets like stocks and investment accounts are not currently taxed in California.



If approved, Proposition 42 would

Prohibit new taxes on financial assets or other personal property.

Limit the situations for a ballot measure or the Legislature to raise any tax retroactively.

Apply to new taxes that are enacted or take effect on or after January 1, 2026. *This would nullify Prop 40.*

Fiscal effects

- Restricts the ability of the State to raise taxes in the future which could reduce future tax revenues.





Supporters

- AMVETS (American Veterans), Department of CA
- CA Professional Firefighters
- CA Senior Alliance
- CA Small Business Association
- Peace Officers Research Association of CA
- State Building and Construction Trades Council of CA

Supporters say:

- Prop 42 protects Californians' savings and retirement, preserving the security for which they've planned.
- The state should not be able to pass new taxes that apply retroactively to money that taxpayers earned in the past.



Opponents

SEIU-UHW, Service
Employees International –
United Healthcare Workers
West

Opponents say:

- Prop 42 is funded by billionaires specifically to cancel out Prop 40.
- Retirement instruments are excluded in Prop 40.
- Prop 42 promotes a non-existent threat to stir up voters.

Campaign Contributions as of September 28, 2026

Yes on Proposition 41
TOTAL = \$58,738,670

Building a Better California	\$58,350,000
Reform California with Carl DeMaio	\$21,807

Yes on Proposition 42
TOTAL = \$74,189,623

Building a Better California	\$73,800,00000
Reform California with Carl DeMaio	\$22,537

Proposition 40, 41 and 42 Interactions

Prop 41 and 42 contain provisions that compete with Prop 40, so if all three propositions pass, the one with the most votes becomes law.

Number of Yes Votes	Which becomes law?	Which is stopped from becoming law?
Prop 40 > Prop 41 and 42	Prop 40	Prop 41 and 42*
Prop 41 > Prop 40	Prop 41	Prop 40
Prop 42 > Prop 40	Prop 42	Prop 40

Note that if Prop 41 and/or 42 receive more votes than Prop 40, they do not just nullify Prop 40 – they create new constitutional amendments.



Proposition 43 Higher Threshold for Local Special Taxes

Should voter-proposed local special taxes
require two-thirds voter approval?

Prop 43 would raise the threshold to approve local special taxes proposed by voters from 50% to 66.7%.

Type of tax	Vote threshold at present	Vote threshold under Prop 43
Local general tax proposed by government or voters	Simple majority	Simple majority
Local special tax proposed by local government	66.7%	66.7%
Local special tax proposed by voters	Simple majority →	66.7%

Fiscal effects

- Possibility for lower local government tax revenues in the future because voter-sponsored local special taxes would face a higher approval threshold.





Supporters

- CA Consumer Advocates for Affordability and Safety
- CA Hispanic Chamber of Commerce
- CA Small Business Association
- CA Taxpayers Association
- Family Business Association of CA
- Howard Jarvis Taxpayers Association

Supporters say Prop 43

- Restores Proposition 13 taxpayer protections.
- Ensures broad public support before taxes are imposed or increased.
- Closes what supporters view as a loophole.



Opponents

- CA Professional Firefighters
- CA School Employees Association
- Californians Against Waste
- Non-Profit Housing Association of Northern CA
- Nurse Alliance of SEIU CA
- Sierra Business Council

Opponents say Prop 43

- Makes it harder to fund essential local services including fire, police, infrastructure, parks and libraries
- Local decisions could be blocked by only 33% of voters.
- Weakens your vote.

Campaign Contributions as of September 24, 2026

Yes on Proposition 43

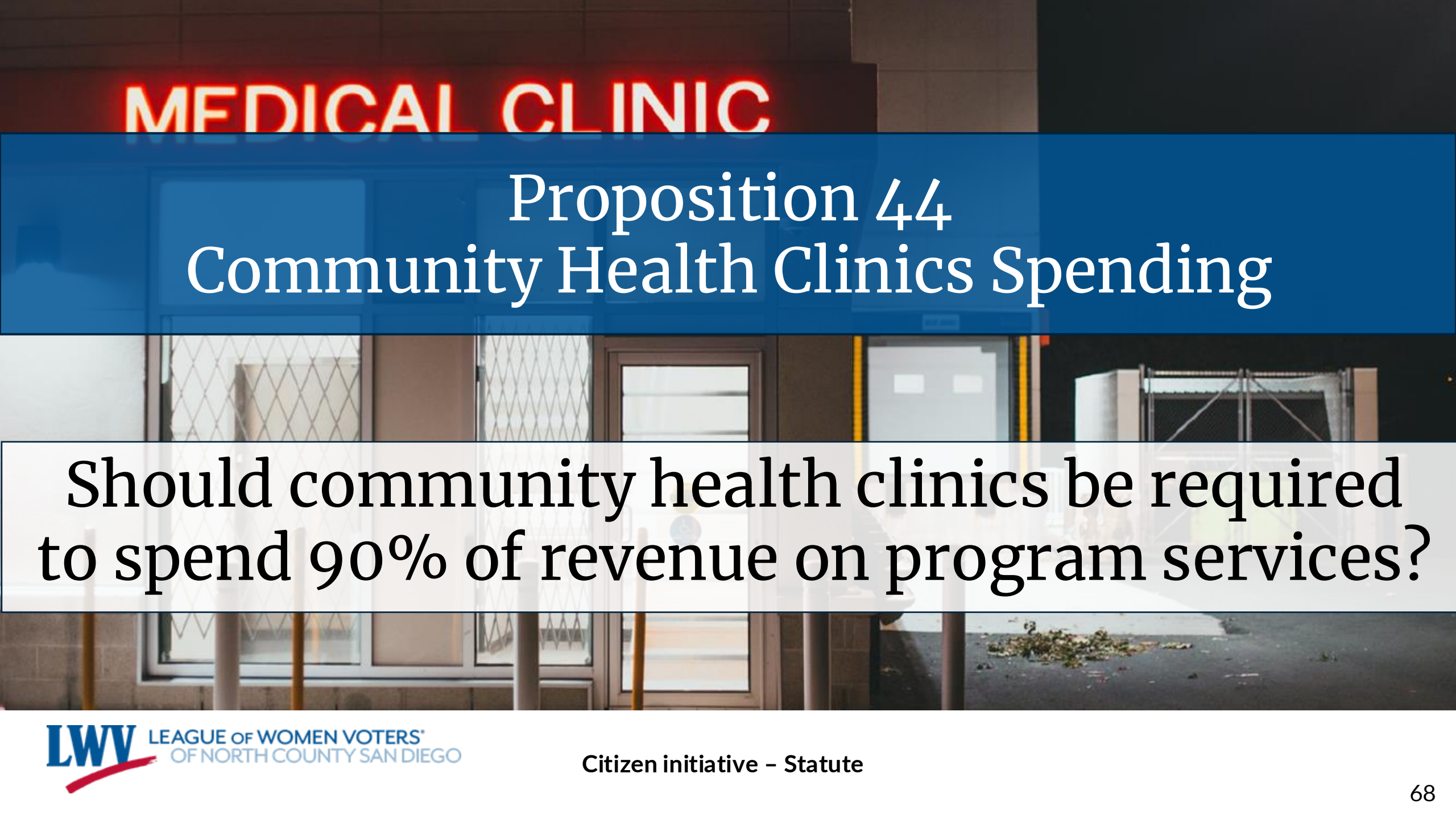
TOTAL = \$14,861,760

California Business Roundtable PAC	\$9,850,000
Protect Prop 13 PAC	\$1,513,215
Kilroy Realty	\$1,000,000
Douglas Emmett Properties	\$1,000,000
1800 Capital, Inc	\$500,000

No on Proposition 43

TOTAL = \$4,414,393

SEIU CA Council for Working People	\$,1500,000
SEIU Local Unions (combined)	\$1,000,000
Western States Regional Council of Carpenters	\$500,000
California Professional Firefighters	\$250,000
California Federation of Teachers Cope	\$250,000



MEDICAL CLINIC

Proposition 44 Community Health Clinics Spending

Should community health clinics be required to spend 90% of revenue on program services?

Prop 44 Background

- "Safety net" clinics provide preventive and primary care to medically underserved communities.
- These clinics must file annual reports disclosing the clinic's revenue, sources of funding, and expenditures.

If approved, Prop 44 would

Require safety net clinics to spend 90% of total revenue on services that directly provide health care.

Enact penalties for clinics that fail to meet the 90% threshold.

Fiscal effects

- State enforcement costs in the low tens of millions of dollars, covered by fees.
- Could have other uncertain effects; for example, clinics may close because they could not meet the minimum spending requirement.





Supporters

- SEIU-UHW, Service Employees International – United Healthcare Workers West

Supporters say Prop 44:

- Holds clinics accountable.
- Prioritizes patient care over administrative spending.
- Excessive overhead spending reduces healthcare access.
- Increases transparency.



Opponents

- American Academy of Pediatrics, CA
- American College of Emergency Physicians, CA
- American College of Obstetricians & Gynecologists District IX
- CA Academy of Family Physicians
- CA Medical Assn.
- CA School Nurses Org.

Opponents say:

- Safety net clinics are already highly regulated.
- Prop 44 would restrict spending on essential services and staff, imposing flawed and unworkable restrictions.
- Prop 44 would cause 88% of affected safety-net clinics in CA to operate at a loss.

Campaign Contributions as of September 28, 2026

Yes on Proposition 44
TOTAL = \$16,929,633

SEIU-UHW	\$16,929,633

No on Proposition 44
TOTAL = \$37,525,418

Altamed Health Services	\$5,467,867
CA Primary Care Assn	\$2,022,980
Wellspace Health	\$1,500,000
North East Medical Services	\$1,500,000
Family Health Centers of San Diego	\$1,511,285



Proposition 45 Modified Environmental Review

Should California modify environmental review for “essential” projects?

Background on Prop 45

- The California Environmental Quality Act (CEQA) requires state and local agencies to consider how a project might negatively affect the environment before approving it.
- If a project is expected to have significant environmental impacts, the entity proposing construction must prepare a detailed study containing measures to reduce the impacts of the proposed project.
- Under current law, environmental review under CEQA is flexible, allowing agencies to determine timelines, the scope of analysis, and how to incorporate public input.

If approved, Proposition 45 would

Establish fixed timelines for each stage of the CEQA review process and public comment periods for eligible “essential” projects.

Allow expedited review of environment impacts and limit current obligation to consider a range of project alternatives.

Change how courts review challenges and reduce the scope of what courts can consider.

Fiscal effects

- Initial costs for state and local governments likely from ten million dollars to potentially exceeding \$100 million annually to implement new project review and court challenge procedures.
- Longer term costs uncertain.





Supporters

- CA Children's Hospital Association
- CA Council on Affordable Housing
- CA Water Association
- Family Business Association of CA

Supporters say:

- Lengthy delays and red tape are delaying essential projects and driving up costs.
- The measure does not exempt projects from environmental review but creates faster procedures.
- Prop 45 modernizes and streamlines permitting.



Opponents

- American Nurses Association CA
- CA Environmental Voters
- CA Nurses for Environmental Health and Justice
- Clean Water Action
- Coalition for Clean Air
- Physicians for Social Responsibility, LA

Opponents say :

- Prop 45 reduces and weakens environmental protections risking public health.
- The measure limits public comments, community input and analysis of project alternatives.
- Weaker environmental review means more pollution near homes and schools.

Campaign Contributions as of September 15, 2026

Yes on Proposition 45
TOTAL = \$36,746,120

Building a Better California	\$10,000,000
California Building Industry Assn	\$3,250,000
CalChamber Non-Donor Funds	\$2,000,000
Edison International	\$2,000,000
Building Industry Assn of Southern California	\$1,800,000

No on Proposition 45
TOTAL = \$15,004,407

Clean and Healthy California	\$7,000,000
Wendy Schmidt	\$5,000,000
State Building and Construction Trades Council	\$1,999,857
District Council of Iron Workers of CA	\$500,000
Earth Justice	\$200,000



What is bond financing?

Type of long-term borrowing the state uses to raise money for public projects.

The state obtains money by selling bonds to investors; this money is repaid, with interest, according to a specified schedule.

General obligation (GO) bonds are repaid by the state.

Revenue bonds are repaid by the project they initially fund.

Bond issues on the ballot

Prop #	Purpose	Type	Cost to state
Prop 1	\$1.25 billion for loans for veterans \$10 billion for rental housing and homeownership for low income and underserved communities.	Legislatively referred General obligation bond	\$500 – \$600 million a year for 25 years (Veteran's loans would repay themselves)
Prop 37	\$25 billion in bonds for loans for low- and middle-income homebuyers.	Citizen initiative Revenue bond	Loan repayments would pay for bonds
Prop 38	\$8.4 billion in bonds for research related to the immune system. Half would go to one institute, half to California non-profit universities and institutes.	Citizen initiative General obligation bond	\$500 – \$600 million a year for 20 years



Proposition 1

Authorizes Bonds for Housing Affordability Programs

Should the state authorize \$11.25 billion in **general obligation (GO) bonds** to fund affordable housing programs and home loans for veterans?

Background on Prop 1

- California faces a significant shortage of affordable housing, with home prices and rents among the highest in the nation
- Over the past few decades, the state has used GO bonds to fund various housing programs.
- But much of previous housing funding has now been committed or spent.



If approved, Proposition 1 would

Allow issuance of **\$1.25 billion** in GO bonds for **loans for veterans**, whose mortgage payments would reimburse the bondholders.

Allow issuance of **\$10 billion** in GO bonds to be used for a mix of **rental housing and homeownership** for families with low incomes, farmworkers, tribal communities, students as well as some infrastructure projects.

\$7.2 billion would be used to acquire, build, or renovate rental housing, such as apartment buildings



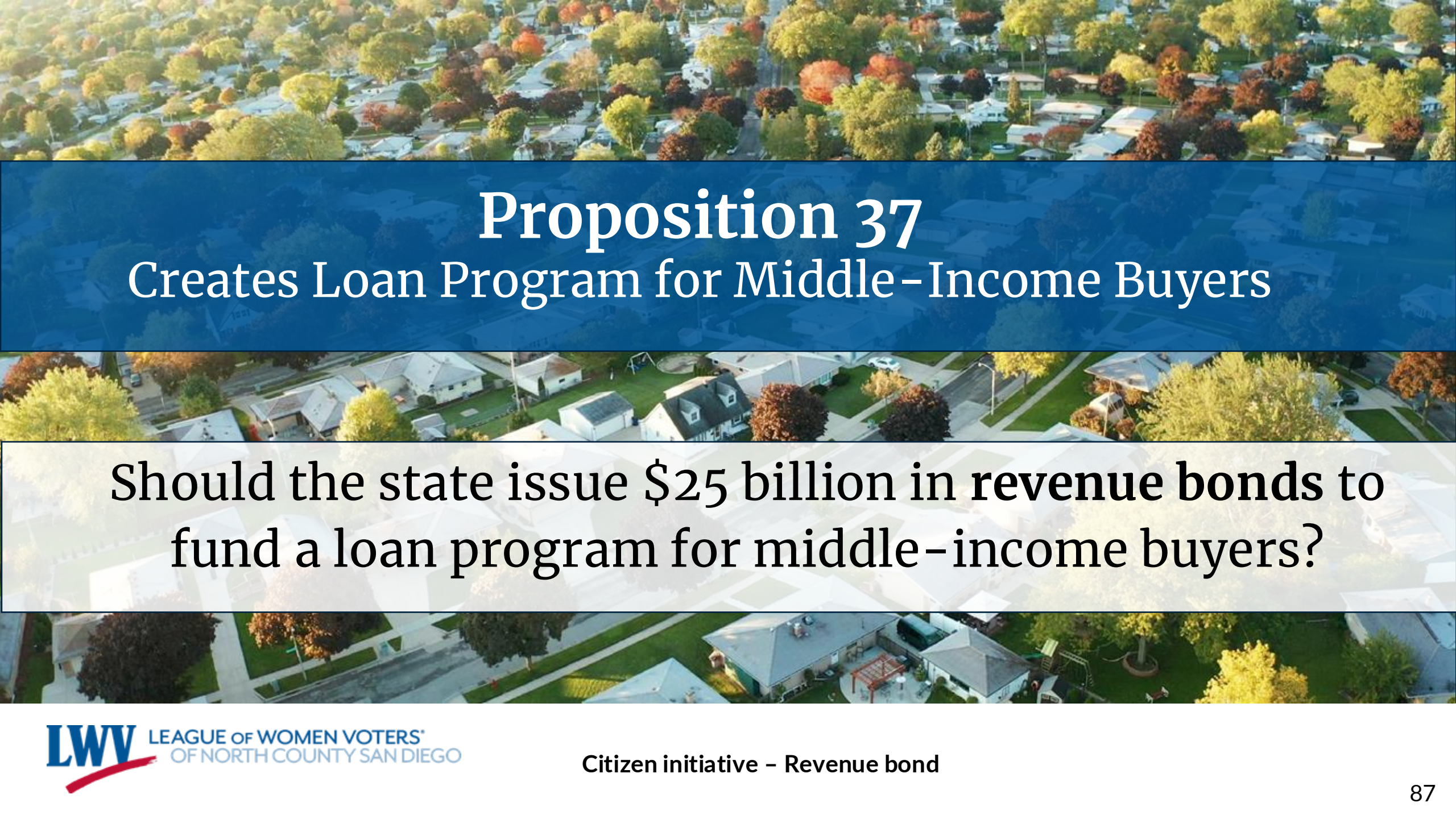
Supporters

- U.S. VETS
- CA Federation of Teachers
- Self-Help for the Elderly
- Habitat for Humanity CA
- CA Alliance of Child and Family Services
- YesOnProp1CA.com

Supporters say Prop 1 will:

- Provide affordable housing for veterans, seniors, working families, and others struggling with housing costs.
- Help prevent homelessness and expand opportunities for homeownership.
- Strengthen communities and support California's long-term housing needs.

**No arguments were submitted against this proposition.*



Proposition 37

Creates Loan Program for Middle-Income Buyers

Should the state issue \$25 billion in **revenue bonds** to fund a loan program for middle-income buyers?

Background

- The California Housing Finance Agency (CalHFA) operates programs that help some Californians purchase homes.
- Some of these programs provide down-payment assistance through loans that must eventually be repaid.
- Most existing programs focus on low- and moderate-income households.



If approved, Proposition 37 would

Authorize CalHFA to issue up to \$25 billion in revenue bonds for fixed-rate loans for up to 17% of the house price.

Eligibility requires California residency, owner occupancy, income limits, and a 3% minimum down payment.

The program would apply only to newly built homes and certain converted properties which cannot cost more \$1.5 million.



Supporters

- United Nurses Associations of CA
- CA Conference of Carpenters
- Fiona Ma, Boardmember, CalHFA

Supporters say Prop 37

- Makes homeownership attainable for hard-working and middle-class Californians
- Provides low-interest mortgages funded by private bond investors, not taxpayers.
- Encourages new home construction.

**No arguments were submitted against this proposition.*

Fiscal Effects Prop 1



- Bond repayments estimated to cost the state \$500 million to \$600 million annually for 25 years.
- Veterans' loans would repay themselves.

Fiscal Effects Prop 37

- Because Prop 37 uses the payments from homebuyers to repay bond investors, it would not result in direct state or local costs.

Campaign Totals For Prop 1 and 37

Yes on Proposition 1

TOTAL = \$14,352,351

Building a Better California	\$1,000,000
NPH Action Fund	\$1,200,000
Western States Regional Council of Carpenters	\$1,000,000
Housing Trust Silicon Valley	\$400,000
Eden Housing Management	\$350,000

Yes on Proposition 37

TOTAL = \$19,147,671

Building a Better California	\$6,000,000
Homeowners for Families, CA Association of Realtors	\$4,850,000
CA Association of Realtors Issues PAC	\$6,000,000
United Brotherhood of Carpenters	\$800,000
Western States Regional Council of Carpenters	\$450,000



Proposition 38

Authorizes Bonds for Immunology Medical Research

Should the state authorize \$8.4 billion in GO bonds for immunology research?

Background

- Most of the funding for medical research and development is from private industry and the federal government.
- However, in 2004 and 2020, California voters approved \$8.5 billion in bonds to establish an institute for stem cell research and to support related research in response to federal funding cuts and funding for stem cell research.



If approved, Proposition 38 would:

Allow the state to issue \$8.4 billion in GO bonds for medical research related to the immune system.

Allocate half of the money to one research center specializing in immunology research.

Distribute the other half to California universities and non-profit research institutions via a competitive grant process.

Require recipients to return 10% of licensing or revenue generated from funded research to the state.

Fiscal effects

- The cost to repay the bond would be \$500 million to \$600 million annually for about 20 years from the state's General Fund.
- If research leads to commercial drug discovery, some of the cost could be offset if the funded research generates revenue.





Supporters

- Alzheimer's Los Angeles
- ALS Association
- Kidney Cancer Association
- Michael J. Fox Foundation
- CA American Nurses Association

Supporters say Prop 38

- Supports life-saving immunology research to cure and prevent diseases like cancer, heart disease, Alzheimer's.
- Would be dedicated exclusively to California-based nonprofit universities and research institutes.
- Requires strong accountability including independent audits.



Opponents

- Robert M. Kaplan, PhD

Opponents say:

- California would take on billions of dollars in debt without any guarantee that research discoveries would generate revenue.
- Decisions about medical research funding should be made through the normal budget process and medical review rather than through ballot measures.
- Half of the funding would go to a single research institute.

Campaign Totals as of October 15, 2026

Yes on Proposition 38

TOTAL = \$79,215,472

Gary K. Michelson and Affiliated Entity Michelson Center for Public Policy	\$74,200,000
Luskin Meyer	\$5,000,000

No on Proposition 38

TOTAL = \$8,781

Dean Marks	\$5,000
Robert Kaplan	\$3142



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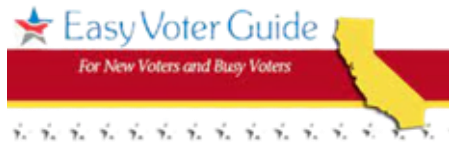
Your dues provide needed resources, adding to our numbers and strengthening our power.



Voting Information Sources



www.vote411.org/



cavotes.org/easy-voter-guide/



Official Voter
Information
Guide

voterguide.sos.ca.gov/

BALLOTPEDIA

ballotpedia.org/California_2026_ballot_propositions

CAL MATTERS

calmatters.org/california-voter-guide-2026/



Important Dates!

Oct 5

Ballots mailed to all registered voters

Oct 6

Secure ballot drop-off locations open

Oct 19

Deadline to register to vote*

Oct 24

In-person voting at select Vote Centers & ROV 8am-5pm

Nov 3

Last day to vote 7am to 8 pm

*You can register to vote at any Vote Center within your County until Election Day.

Check your voter registration here

