Darien's Guide to the California Ballot Propositions: November 2026 Elections (rev. 1)

I provide this guide earlier than usual, knowing that we have entered a new era of voting early. However, while voting somewhat early is often a good idea, please, beware of "rushing to judgment". It is nothing unusual for more (and verified) info to come out closer to the elections. Take the time you need to inform yourself. (See the **end** of my guide for helpful voter resources.)

I apologize for the *long* Guide this time, what with 14 propositions, mostly complicated. Read what you need – and, then, maybe a little more! *There's a lot to understand* in this year's batch.

Please do vote, especially on the important "down ballot" – local and state – races and issues. Since there are fewer voters for those, your vote is worth proportionately more. Also, you often have better access to or knowledge of local issues. If you don't vote, your voice goes unheard.

What is **important *now*** is to **confirm that you are registered to vote!** All registered CA voters should have received their ballots by now. You can check at https://voterstatus.sos.ca.gov/, *and register today, online,* if you're not listed. (*After* the **October 19 deadline**, you *can* still register, even on the day of the elections, to cast a provisional ballot – which may or may not be counted.)

Voting early at ballot dropoff locations (find full lists of both online at your county's elections office) is likely the best approach, for many reasons. For one, you don't have to rely on the (currently, not so reliable) US Postal Service. If you *do* mail in your vote, allow *ample* time before the deadline and be sure to read and follow the directions carefully! Many mail-in votes are discarded for basic errors. (I don't endorse candidates, but I'll say that the Sup. of Instruction race is worth your care.)

The Short Version (My "Bare" Recommendations)

- **Prop. 1 – Bond Bucks for Diverse Housing – Yes**
- **Prop. 2 – Reserving More State Funds for Bad Years – Yes**
- **Prop. 3 – Funds Ed. and Health Care by Extending the Existing Tax on High Incomes – Yes**
- **Prop. 4 – Allows Public Financing of Election Campaign – Yes**
- **Prop. 5 – A Chance to Improve the Recall System – Yes**
- **Prop. 37 – Bond for Loans to Build New Middle-Income Homes – No**
- **Prop. 38 – *Deceptive* Bond for Immunology Research – No**
- **Prop. 39 – Unnecessary & Obstructive ID Requirements for Voting – No**
- **Prop. 40 – Why There's *So Much* You Need to Know About the Wealth Tax – Yes**
- **Prop. 41 – To Make the 1979 Gann Limit Live on and on – No**
- **Prop. 42 – No Wealth Taxes and No Retroactive Ones (so no Prop. 40) – No**
- **Prop. 43 – *A* Tough *Two-Thirds Vote* Requirement on Local Tax Measures – No**
- **Prop. 44 – Do Most of Us Know Enough About Health Clinics to Vote Wisely? – No**
- **Prop. 45 – Reduces Environmental Review Protections – No**

Struggling to remember all this? I have some helps!

- **With five, alive!** ***Yes on 1-5.***
- ***Vote yes* on the single digit propositions (1-5) and *no* on all the two-digit ones *except 40.***
- ***Yes* on 40; *no* on 41 and 42.**

Abbreviations Used for Organizational Endorsements Listed in the Proposition Info Below

(When any of these groups is *not* listed in the yes or no under a prop., it did not take a position.)

CA Chamber of Commerce	CofC	Reform California	Ref
Howard Jarvis Taxpayers Assoc.	Jarv	CA Labor Federation	Lbr
CA Teachers Association	CTA	Peace and Freedom Party	P&F
Planned Parenthood Affiliates of CA	PPar	Republican Party (CA)	Rep
Friends Comm. on Legislation (CA)	FCL	Courage California	Cour
League of Women Voters of CA	Lgue	Democratic Party (CA)	Dem
SEIU-United Healthcare Workers West	UHW	CA Nurses Association	CNA
ACLU (*North'n CA and/or CA Action*)	ACLU	League Of California Cities	LCC
California Federation of Teachers	CFT	California Common Cause	ComC

Darien's Proposition Analyses, Descriptions, and Recommendations

- **Prop. 1** – **Bond Bucks for Diverse Housing – Yes**

This year the propositions ballot starts us off easy with this one that provides $11.25 billion to support *much needed* affordable housing of various kinds – including rental, condo, and manufactured housing – for an impressively (and thoughtful) diverse range of low-income people, including veterans, low-income folks, and the unhoused. Like a number of this year's props., it has no "official" opponents. In our state with among the highest housing costs in the country, Prop. 1 isn't a difficult choice.

A few opponents object, in general, to bond measures – esp. to **general obligation bonds**, like this one, which the *general* taxpayers pay for. However, while the long-lasting burden and interest costs of a bond, just as any loan, has interest costs – this bond is for *housing.* A *durable, long-term* investment like housing is an expenditure suitable for a bond – just as you might seek a 30-year loan for a home purchase. Additionally, of course, there's a huge *need* for more affordable housing; this bond money will help address the lack of funding for it.

A spurious further objection some make to Prop. 1 is that they don't want to provide money for affordable housing without "addressing" *high construction cost*s. *What?* With $11 billion we're somehow supposed to address *construction costs* – things like t*ariffs, diesel prices,* and *trade breakdowns* (to say nothing of the lack of immigrant labor)?

I'll add an important point concerning California construction costs. These costs are partly related to much needed *environmental* requirements (that *also* save residents money!), such as ample insulation, special windows / glass able to filter out (excessive) sunlight, white (heat-reflecting) roofs, wildfire-safe materials, etc.

Supporters, in addition to the below, include construction organizations, Habitat For Humanity California community organizations; housing and apartment building / company advocates; and veterans' groups.

Yes – *CTA, CFT, Lgue, FCL, LCC, ACLU*

No – *Ref*

• **Prop. 2** – **Reserving More State Funds for Bad Years – Yes**

I hope we've all learned from California experience that state revenues are subject to *large* swings, from booming one year to plummeting tax revenues the next. So, more than I had realized in the past, a reserve fund is *needed.*

Prop. 2 would increase the amount to go into the Rainy Day Fund from the current maximum of **10% of general tax revenues** to **up to 20%**. Importantly, like other recent revenue propositions, Prop. 2 language also exempts these set-aside funds from the "Gann Limit" constraints. So let's better understand the Gann Limit!

Voters are called upon to follow the way the Gann Limit works, because that limit not only greatly affects **the ability of the Legislature to budget appropriately**, but this year, the Gann Limit also comes up in multiple props. on this ballot, including Props. 40 and 41.

This limit on state spending came as a followup on the (property tax-limiting) Prop. 13 enthusiasm, through an overwhelmingly approved 1979 proposition. Under the Gann Limit, the state is stiffly limited in how much it can allocate each year in most areas (regardless of need – and even including how much can be put in the Rainy Day reserve). What if the state has "excess funds", beyond what the Gann Limit allows it to spend? Then the excess has to be returned to the *taxpayers* within two years (even if, within that time, those funds are desperately needed). If you're too low-income to pay taxes, you won't get any of that refund.

I'll note that the original Gann Limit initiative (and, generally, subsequent initiative propositions) *did not benefit* from the (potentially!) *informed* discussion of the Legislature, which could have identified and addressed serious built-in budget conflicts or other short-sightedness. In response to the Gann Limit, *multiple* props. for new state revenue sources (usually, specific taxes) in the years since 1979 have *instead* dictated their own *limits* and *specific percentages* of state revenues that *must* go to *their* program or area, as favored within the given prop. (Usually, those propositions *also* exempt themselves from the Gann Limit, because that limit *would not **allow*** their favored program(s) to spend more than a restricted amount of the new revenues.)

So, due to the Gann Limit, our state budget has often been unable to allocate desirable levels of funds to various human-needs programs, even high priority ones. The *extremity* of the current situation is outlined in a very readable May 2022 "Monthly Report from State Controller Betty T. Yee", which goes into more detail about this quandary. For example, (as of '22) "the state is required to *spend **$1.60*** for ***each dollar*** in unanticipated revenues at or above the [Gann Limit]" (emphasis added).

In these boom-bust times, I see the Rainy Day reserve *not* as (per opponent accusations) a "slush fund for politicians" but as a *benefit* to the people of California by setting aside more money in good years to help maintain *needed* state programs through economic downturns.

Yes – *Dem, P&F, FCL, Lgue*

No – *Ref, Rep*

• **Prop. 3** – **Funds Ed. and Health Care by Extends Existing Tax on High Incomes – Yes**

Since the initial high-incomes tax prop. was passed in 2012 and renewed and extended in 2016, it's *the wealthiest 1%* in Calif. who have had to pay 98% of this somewhat higher income tax. (It's only **the top 2%** of California tax filers who are subject to the tax, at all.) The resulting tax revenues, by going toward the state education spending requirement, enable the state to use other revenue to pay for health care and other programs for working families. All that is especially important at a time when DC is cutting health care funds.

This proposition simply proposes that this supplemental income tax, in place for almost 15 years, should be allowed to *continue* – rather than expire in 2030 (as provided in the current law).

So I think this prop. is another easy choice: A defeat of Prop. 3 would reduce the progressiveness of CA's income tax structure – as well as reduce state revenues by **billions** of dollars. A finance-focused report by the non-partisan California Budget & Policy Center notes that the expiration of this tax "would likely lead to significant budget shortfalls… funding for essential state services would be put in jeopardy."

I'm taking this "ed. funding prop." as an opportunity for some short education on Calif's ed. funding. In the past, Californians had been *very* low in how much it spent on K-12 ed., compared to other states – *ranking near **the bottom***. Even through 2022, our *wealthy* state – with many ed. challenges due to our state's wide income disparities, many English learners, and more – **spent less than the national average on K-12 education!**

However, our ranking has increased fairly steadily since back in 2010-11, when our state ed. spending was **50th in the country**! In the 2022-23 school year (the most recent data available) we jumped to **13th –** after being *28th* the year before. (Sadly, part of that increase has been due to other states *cutting income taxes* and *reducing* school funding!)

How did that K-12 funding change occur? Well, in 2012 the extra income tax on high incomes passed That extra income tax is paid by *millionaires and billionaires – not* by the poor nor upper-middle-class earners nor even "small" businesses. (And, after almost 15 years, those millionaires and billionaires remain in California.) Also, remember: Much of the generation of business wealth depends on the availability of well educated workers.

Even as CA has spent more for ed., the money spent has increased only slightly as a percentage of CA's GDP, one of many funding aspects noted in a helpful EdSource article. Our *percentage* is *well behind other highly urbanized states* like NY and Illinois. And it *shows*: Class sizes in California are *still* among the highest in the country.

The California Budget & Policy Center's info- and chart-filled article (mentioned above) shows why continuing this tax is so important, mentioning that "the current top tax rates have become a

critical source of funding for education, health care, and other state services…". (The article also gives helpful reminders and background info on the provisions, workings, and state budget effects of the voter-approved 1988 **Prop. 98, the minimum state education funding guarantee,** that establishes an annual minimum state funding level for public education, including community colleges.)

Incidentally, this prop. contains **a "poison pill**" – as Prop. 41 does – in relation to other props. on the same topic: If "this measure receives a greater number of affirmative votes than a measure deemed to be in conflict with it, the provisions of this measure shall prevail in their entirety, and the other measure or measures shall be null and void," (quoting from Section 5 of Prop. 3). So, if passing with *more votes*, such a **poison pill** totally invalidate the other same-topic measure, even if the other passes (with *fewer* votes). In the case of Prop. 3, there *isn't* another prop. on the same topic, but I mention this "poison pill" provision here to explain it early on and to show the idea comes up often.

Voters made a good choice to create this extra income tax in 2012 and 2016. A *yes* on Prop. 3 supports that *existing* tax to continue as long as needed to fund CA public schools (and, by bringing in ed. revenues to meet Prop. 98 minimums, other crucial state programs).

Yes – *Dem, CTA, Rep, P&F, Cour, CNA, FCL, PPar, ACLU, CFT*

No – *Rep, Jarv, Ref*

• **Prop. 4 – Allows Public Financing of Election Campaign – Yes**

Campaign funding has changed a lot since 1988, when voters passed Prop. 73 to (generally) prohibit public financing of election campaigns. However, the reality of campaign dollars has changed *dramatically* – specially since the Supreme Court in 2010 decided *Citizens United*, throwing open corporate funding to campaigns, and, in 2014, also lifted restrictions on PAC contributions to campaigns. Even *local* campaigns now see spending in the *millions* of dollars.

Some contend that it's too expensive for state and local governments to publicly finance candidates, but *how much **more** expensive is it for **us**,* the public, if almost *the only thing* campaigns can depend on is Big Money interests? With the **option** of public funding (and important restrictions on funded ones), voters in some cities may choose to *pay through their taxes* rather than *pay through their city'xs decisions* – when those decisions benefit Big Money donors *and harm most of the people!*

It's true: I really don't like my tax payments helping pay for the campaign of some candidate I oppose! However, I don't see public financing as a way to fund "an opponent"; I see it as a way to fund a *system of genuine elections*, opening them to candidates representing the diversity of income ranges and public views. *How many lies* are coming into my mail (and texts) funded by Big Money?

Maybe you're not persuaded *yet*, but – for future situations – will you **let municpalities make their own choices?** Prop. 4 doesn't *require* public funding, but it *allows* it; a jurisdiction could *choose to* provide the basic funding to enable a competitive campaign. At the same time it sets up requirements and limitations on how public funds for campaigns can be used, as well as basic criteria for candidates to qualify. As Robert Reich says in support of 4, "It's time to restore power to California voters, not wealthy donors.."

Yes – *Dem, P&F, FCL, ACLU, Lgue, Cour, ComC*

No – *Jarv, Ref, Rep*

• **<u>Prop. 5</u> – Seeks to Improve the Recall System – <u>Yes</u>**

If you remember the 2021 recall attempt against Governor Newsom, you might already have some sense of the problems with the current recall process. In '21, jumping at the chance to *get elected governor with far less than a majority vote*, **46 candidates** filed to run in the recall election!

This prop. makes sensible changes in the recall law, especially for how to fill the seat of a recalled official. Depending on the office, in a successful recall the seat would be filled either in a subsequent election or by an appointment by the governor, or – in the case of a gubernatorial recall – by the lieutenant governor occupying the seat.

In theory, the target of a recall is supposed to be a corrupt, criminal, or incompetent official. Yet, with a well funded signature campaign, the recall can be used for strictly political purposes – in place of a regular election. Part of the motivation for such *misuse* is the current system: If the recall gets a *majority* vote, then, the same election chooses the replacement – *without* a majority vote! That replacement needs only more votes than any of the other candidates to win. For example, with over 40 competing candidates, the number of votes to win could actually be a surprisingly low *minority* percentage.

Calif. voters benefitted from the work of activists in the Progressive Era to gain this ability to recall officials, but, now that this flaw (and potential *political* a*dvantages*) of the current recall process has been detected, it is likely to be abused more often – and at a high price tag for each election. The Newsom recall effort was only the fourth gubernatorial recall election in U.S. history, but it was the *second* in Calif. It was slightly short of 100 years after the 1911 enactment of the CA recall law, we had the 2003 Gray Davis recall, and the anti-Newsom effort was fewer than 20 years after that.

Before the *next* recall effort, I think it's a good thing that the Legislature has given us the chance to make these needed changes in the recall process.

<u>Yes</u> – *P&F, FCL, Lgue, Cour, ACLU, ComC, Dem*

No – *Jarv, Ref, Rep*

• **<u>Prop. 37</u> – A Bond for Loans for Middle-Income Folks to Buy Newly Built Homes – <u>No</u>**

Oh, my! In my view, this is a *text book example* of the hazards of a *well intended initiative*, seeking to solve an important problem, in contrast to a measure put on the ballot by the Legislature. This initiative seeks to help folks buy homes in costly Calif. and to encourage new home construction, thus increasing housing supply and, possibly, lowering the cost of housing overall. But the League of Women Voters of CA raises some concerns about Prop. 37 well worth noting. If this prop. had come through the Legislature, *hearings* and *testimony* from many points of view could have contributed to legislative negotiations, leading to provisions that might address at least some of these concerns.

A big issue is that Prop. **37** entirely lacks a way to *focus this funding* on those facing the greatest barriers, such as first-time or first-generation home buyers. Instead, most potential benefits would likely go to those who already are socially advantaged, reinforcing existing racial and economic gaps. Thosse factors come together in non-white neighborhoods, where historic (and current) racist housing discrimination has greatly inhibited increases in home values, thus limiting the asset-value gains for

houses in white neighborhoods. Even in middle-class black neighborhoods, home owners have seen much lower value increases. As a result, parents have less ability to help their children pay for a home.

In addition to that, while expanding home *affordability* is a goal of Prop. 37, the home purchases it supports may not actually be so *afford*able. Prop. 37 doesn't lower families' total costs. Instead, their Prop. 37 loans, for up to 17% of the down payment, would be *second* mortgages. With two mortgages to pay each month, how sustainable is the families? In an uncertain economy and job market, would too many buyers *default*, endangering the bond?

Very unfortunately, the $25 *billion* investment that Prop. 37 proposes is not tied into any any community or construction planning. Transit access? In-fill housing? Development near work places, shopping, and services? *Not* required or addressed in this $25 billion prop. Will Prop. 37 lead to more urban sprawl? Also, now, when it's urgent to address climate issues, the prop.-supported housing isn't limited to areas protected from flooding and fires.

I'm not saying the Legislature, with all the moneyed influences, could have put together a homeownership program that would address *all* these aspects, but these are big holes!

At the same time, the drafters of Prop. 37 have done some things right. Making the prop. more attractive is the fact that it's a *revenue bond*, the costs of which are borne by those using the bond. That's distinct from *general obligation bonds* (as in Prop. 1, which I support, and Prop. 38, which I oppose), which entail substantial costs to the state. The Prop. 37 bonds are expected to be repaid by the participating homebuyers, at no cost to taxpayers.

Also, though they could be better, both the Prop. 37 loan *requirements* and *criteria* to qualify for a loan are OK, tho' lacking a focus on the disadvantaged. (Also, in some wealthy areas, an income limit of "200 percent of the area median income" wouldn't be what I think of as *middle class.*) The loans could be a help for those finding it hard to save for a large downpayment and would be fixed-rate, up to 17% of the down payment, and only for homes with a purchase price under $1.5 million.

The prop. would do additional good things. It seeks to protect consumers from unfair lending practices and to provide bond-buyers with "opportunities for social impact investment by promoting the purchase of low-interest bonds."

But does this bond consider what the current *economy* can support? As you can see, this is a complex measure, with bad and good parts. However, had it come through the Legislature it might have better addresse what the State of California can do, *at this time,* when we're suffering from a number of bad economic conditions. This prop. would seek to sell low-interest bonds at a time when interest rates are rising. Will the stock market continue to rise or will it crash – leading to the loos of many jobs?

I look at these uncertainties and, as I've said, I think for an investment in California of up to $25 billion, the placement and nature of construction should be carefully planned. So, although I really dislike being on the same side as Reform California (and *opposing* FCL!), politics certainly *does* make for strange bedfellows! I oppose Prop. 37.

Note – An early version of the Guide accidentally said "Prop. **40**" – rather than "Prop. **37**" in a few spots above.

No – *P&F, Lgue, Jarv, Ref*

Yes – *FCL, Dem*

Prop. 38 – *Deceptive* Bond for Immunology Research – No

Of course, not all initiatives are *bad.* Some initiatives simply lack the expertise among the drafters to write up a measure that addresses its issues in a balanced and *equitable* way. But others (rather often) are *intentionally* drafted to ***inequitably* benefit selected parties** – *like this **bad** one!*

Namely, Prop. 38's *carefully restrictive* criteria – would provide *half* of its $8.4 billion bond to fund research by a *single, unnamed,* and somewhat questionable research institute. To quote an article by non-partisan Cal Matters, their analysis "shows that the ballot language criteria were tailored in a way that very likely excludes [from eligibility for that **$4.2** bil.] all but one institute in the entire state... **whose prominent donor and co-founder is the chief backer of the proposition**" (bold added).

And even tho' the other half, $4.2 billion, would be more reasonably awarded, *why immunology research* over any other? (Because it pulls at our hearts, unlike research in, say, alternatives to carbon-based fuels?)

Yes, the state's voters *have* previously approved bonds for medical research – in 2004 for stem cell research. Back then, as with 38, the backers suggested that the state would benefit generously from royalties on the research's new developments. However, while the state *did* get some returns, relatively, it was quite little. *Maybe* this *general obligation* bond will (as claimed) "also save families and the state billions of dollars in long-term healthcare expenses." *But that's simply **speculation**;* this bond-funded research *might* – but isn't *guaranteed* to – produce usable treatments (to go to Californians at a discount).

Moreover, ***if*** this were a *legislature-proposed* allocation, the Leg. could have looked at the larger picture (as I also suggested for Prop. 37). Especially with a bond, the Leg. might have given more consideration for what the current economy can support.

What do we *know* about what it will cost? Keeping in mind that *California is expected to face a continuing structural budget deficit.* you should know that this bond would *obligate* the state to pay "about $500 million each year over a 25-year period" (quoting directly the Legislative Analyst's Office) – with *half of that cost benefitting **one favored research group.***

Plus that cost comes out of the state's General Fund, reducing the funds that also are relied upon to pay for most public services, including education, health care, and prisons.

While we might *like* to have a stable source of funding for California medical research institutions (esp. now that the federal government is cutting many such grants), the G*eneral Fund* is likely to be struggling in the next few years to *maintain* public services, including education, health care, and (esp. if voters continue the recent "lock 'em up" attitudes) prisons. If the state *did* decided that it could afford to allocate money for such research *in the yearly state budget,* that kind of annual (no interest) funding would save *a lot of money,* compared to the long-term interest costs on a bond.

I started this Prop. 28 discussion by complaining about the way *initiatives* can lack legislative scrutiny. Worse yet, a "friendly" looking initiative like 38 ("*Gee, why **not** invest some money to help find cures for illnesses?*") can **trick** voters into *signing the petition. At the same* time, if you want a *possibly* better prop. to fund health research – the Legislaure *has* passed its own measure, a more

equitable and transparent (and a *bit* cheaper) bond. That UC-sponsored bill is headed to *the next prop. ballot* (likely in about a year and a half). Maybe by then the condition of the economy will improve.

No – *P&F, FCL, Cour, Lgue, Jarv*

Yes – *Ref, Dem, Rep, one nurses association (**not** CNA), several disease and health organizations*

• **Prop. 39** – **Unnecessary & Obstructive ID Requirements for Voting – No**

I've heard well meaning people say, "You have to show your driver license for lots of things; why not for voting?" First, voting is a legal *right* of citizens, 18 and older. Yet, in addition to that *right*, **not every citizen can readily access the paperwork** to prove their status **– or** even manage to get a government-issued ID. So, before we consider **disenfranchising citizens**, we must ask: *In California, is there significant voter fraud? And* if *some* exists, is it detected and legally addressed?

Both answers reveal that ***there is no need*** *for this restrictive law!* First, there is only **very** *minimal* bad votes. (Out of 23,061,263 eligible voters, *38* cases, non-citizen votes.) And **yes**, when *it does* occur (as detected in news investigations, by the Heritage Foundation, etc.) it *is* addressed legally.

I'm not asking you to believe me; both questions are *thoroughly* reviewed in the comprehensive *California Research Bureau* *Literature Review on Voter Fraud in California, 2020-2024*. It reviews 14 California county grand jury investigations, the academic literature on the topic, media and Heritage Foundation reports, and more. Reflecting the overall very similar conclusions for *all* of the county and academic reports, one county concluded, "no evidence of systemic or other significant fraud". The review investigated media reports and Heritage Foundation examples (the H.F. offered only six), which nearly all led to appropriate legal action. The review also includes, without comment, four Conservative-linked analyses that claim massive fraud reports. (Another presentation of this same report information provides 14 pages of short summaries of each situation reviewed.)

Not only is Prop. 39 *unnecessary,;* it would also *suppress* legal voting by adding needless barriers And the cost? It's "between tens of millions of dollars and low hundreds of millions of dollars each year" (from the Official Voter Information Guide).

Also, I vote by mail, and I *don't want to* write on that ballot envelope ***the last four digits*** of *any sensitive ID number!*

No – *Dem, Rep, FCL, P&F, Lgue, ACLU , CTA, CNA, Cour, PPar, ComC*

Yes – *Jarv, Ref, Rep*

• **Prop. 40** – **Why There's *So Much* You Need to Know About the Wealth Tax – Yes**

I'll start with my quick listing of some *hot button* issues around Prop. 40: BIG money – for the state to gain and billionaires to lose; slashed federal health care funding, making a *need* for state funds; *two* directly *counter* propositions (41 and 42); mega-wealth opposition; *taxes* (*always* a hot issue!)*;* philosophies of governance; and *what if the wealthy flee California?* Got all that?

With a pile of seemingly contradictory opponents and no lack or rumors, half-truths, and out-and-out lies – *plus* the competition of Props. 41 & 42, this is likely the trickiest prop. on the ballot.

And yes, this one is an initiative – with all that entails! This initiative, like many others, *dictates* budgetary decisions, rather than allowing the Legislature to be responsive to state needs. However, in this case, even if the Leg. had approved some such prop. (the CA Democratic Party

supports it), with Governor Newsom *opposing* it (along with most other tax increases), it wouldn't have become law. In other words, sometimes *only* an initiative is able to grapple with a hot issue.

Prop. 40 taxes walth to pay for health care. So far, few politicians (nor most others) have offered real ways to reduce health care costs (since they're mostly ignoring Single Payer Healthcare – which the public tends to support!). (Do you want to know more about *why?* Cal Matters has a good (fairly short!) article about a 181-page report on that!) And health care costs keep on increasing.

Worse yet, due to Trump's huge federal health care cuts, CA faces millions in costs in 2027 – and, possibly, beyond. So a healthcare workers' union, Service Employees International Union-United Healthcare Workers West (SEIU-UHW), put together this proposal to keep the workers their jobs and our state its healthcare funding: Tax the *very* rich (who got Trump tax cuts)! *And* – since the rich manage to avoid most income taxes – this tax is based on the value of their *assets*, their *wealth.*

In response, the threatened billionaires have *a massive campaign (at nearly **$200 million**) against 40* – including putting the *competing* Props. 41 and 42 on the ballot. If either of *those* passes with *more* votes than Prop. 40, then their provisions would block 40 – *even* if 40 gets a majority vote.

And also some *non*-billionaires oppose 40. Will it drive wealthy people and businesses out of California, reducing our tax base and annual state budget revenues? Good question, but I suggest CA can manage well enough. CA offers many advantages to individuals and businesses (even beyond beautiful natural wonders and reasonable weather): many well educated people, a location that attracts employees, good freeways, international ports, commercial centers, etc. Would the wealthy leave Calif. over this **one-time tax**? That's likely the biggest question on 40. And no one *knows the answer,*

We do know what 40 woulf enact, *and that is only **one thing***: a "wealth tax", at 5%, on Californians whose net worth **exceeded $1 billion** *as of 1/1/26.* That net worth would be measured based on assest like stocks, bonds, cars, privately owned businesses, intellectual property, and art and other collections. Entirely **excluded** from the calculation and tax would be *real estate* (already covered under property taxes) and *nearly all* **pensions and retirement accounts**. (*Nearly* all*?* Well, if you've got a Roth with **over $10 million**, that could count.) Only some 200 Californians would be subject to the tax (out of about 34 million Californians) – not likely *you*, not likely *ever.*

The resulting revenues – some tens of billions of dollars – would go 90% to "health care services for the public" and 10% to other public-friendly services.

A lot of this info is in your very helpful Official Voter Information Guide. Not in there are the reservations that some progressives have and their objections to aspects of 40. They note that *other* state programs need funds, too – 90% *for healthcare only?* However, this measure *does* give the Legislature some flexibility in *the kinds* of healthcare spending, *and* the Prop. 40 money frees us other revenues for other kinds of programs, beyond what is under the remaining 10%. Others point to concerning collateral effects: sowing division in the labor movement between different sectors, instead of seeking a more collaborative approach. And, further – once Prop. 40 funds are used up – will there be any money for currently existing programs, like ob-gyn services from Planned Parenthood?

Will the Legislature seek to amend the tax after passage, as 40 allows and some are concerned about? Of course, *legislative flexibility* is something helpful that initiatives usually *lack*, so that's

helpful. In any case, the Leg. membes worry about re-election; I expect they'll be *very careful* not to alienate their voters with either a *weaker* tax or one that extends to more people or other assets.

Then again, if 40 proves to be surprisingly popular, and even successful, this one-time tax might open up the public imagination! The **idea of wealth taxes** could enter the realm of serious political discourse, and *that* could be what *really* scares the very wealthy.

I *do* wish for us to be able to maintain people's access to health care in California, which is not only an *ethical* position but also a sound public health practice (and, often, a money saver – vs. ER visits and care after something is severe). And I don't see other promising options on the near horizon.

In my philosophy of governance, I support 40 because it *funds* a robust society by taxing *the wealth that **society** helps generate,* with all our (costly) infrastructure,. And I believe Calif. has the capacity to generate *new* wealth.

At the same time, how feasible is Prop. 40? On the one hand is the challenge of accurately assessing individuals' wealth, and on the other hand are the many legal challenges the wealthy are likely to assay.

What if 40 does not pass (or passes but with fewer votes than Props. 41 or 42, so that it's invalidated by the "poison pill" in those two props)? Or, even if it *does* go into effect, it may get tied up in the courts for years. If so my wish may become another challenging project. **But let's *try!***

Yes – *P&F, Dem, Cour, CFT, CNA, UHW (of course!)*
No – *CTA, PPar, Jarv, Ref, CofC, Rep*

• **Prop. 41 – To Make the 1979 Gann Limit Live on and on – No**

Overall, 41 is targetted at 40 – at the least, to foment confusion *but also* to stop 40 if 41 gets more votes. Beyond that, 41 would bind *future* voters by restricting the possibilities to enact flexible responses to future state financial needs.

Remember the Gann Limit? I talked about that fairly extensively above, under Prop. 2. Please review that, because I think I presented a strong case that the Gann Limit has become harmful. In my view (apparently supported by former Calif. Controller Betty Yee's 2022 report). That limit makes the CA budget almost unworkable; it would be a mistake to stiffen its effects!

Nonetheless, Prop. 41 basically seeks to give the 1979 Gann Limit a transfusion of fresh blood; 41 would require all future propositions to be bound by that limit.

The Gann constraints are from an era that sought to severely limit government expenditures, *even when* the government had the revenues to support them. However, I believe more voters now appreciate government programs. In more recent years, propositions seeking special income sources (I.e., *taxes*) have been careful to include in their language an *exemption* from the Gann Limit. (For example, Prop. 40 does so – as it would *have to,* since its revenue would go *way* beyond what that limit allows.) The fact that so many other props. have also done so – and yet have often *been approved* by the voters – is an indication that the severe restrictions of the Gann Limit are no longer realistic.

As you can see from the supporter and opponent list, some folks *do* want to return to that era of fewer government programs. Their attitude about such programs is reflected in the actual language of

the prop., which at one point (in (d) of section 1 – bold added) states, “Before asking taxpayers to pay even more of their hard-earned money **to support programs that are ineffective**...”. It’s likely that those same folks would oppose Prop. 40, and Prop. 41 serves those interests with a “poison pill”. (I explained more about poison pills near the end of the Prop. 3 discussion.) If 41 passes with more votes than 40, then *all of* 40 is invalid.

Prop. 41 also includes a requirement for a state audit on any tax proposals and/or initiatives. The audit will look for possible spending cuts. If such propositions are defeated – or don’t even qualify for the ballot – the state would be stuck with paying millions a year for the required audits.

It’s all a bad idea!

No – *P&F, FCL, Dem, UHW, Lgue, ACLU*

Yes – *Jarv, Ref*

• **Prop. 42 – No Wealth Taxes and No Retroactive Ones (so no Prop. 40) – No**

I’m assuming you’re familiar with Prop. 40 (or see above!). Remember how it imposes a tax on certain kinds of wealth (*not* retirement accounts!)? Prop. 42 would forbid all that: no wealth taxes. Remember how 40 also imposes its tax on that wealth *as of* 1/1/26 – a retroactive date (so wealthy folks can’t easily get around the tax)? Prop. 42 would forbid that, too: no retroactive taxes.

Prop. 40 isn’t the sole target. If this prop. passes, *no wealth taxes* of any kind may be considered for California. *Why, before any attempts, would voters rule out an entire class of taxation?*

The financial support for 42 – nearly $100 million raised so far (per Cal Matters) – comes mostly from the same billionaires opposing Prop. 40, although some other groups (generally conservative), especially profession-related ones (peace officers, firefighters, building and construction), are also supporting 42.

While we’ve learned that *nothing* is impossible in politics, the claim of an alleged threat to pensions and retirement accounts is a red herring.

This prop. is on the ballot particularly to oppose Prop. 40: Like 41, Prop. 42 has a “poison pill”. (See explanation near the end of the Prop. 3 discussion.)

No – *UHW, P&F, FCL, Dem, Lgue, ACLU*

Yes – *Jarv, Ref*

• **Prop. 43 – *A* Tough *Two-Thirds Vote* Requirement on Local Tax Measures – No**

For almost any measure, a 2/3 requirement to pass means *it hardly ever passes!* We’ve already seen that effect in a number of proposals by *local governments* (which *already* suffer from that 2/3 barrier). In a heart-breaking case this spring, the *defeated* measure got (as I recall) over 65% support. Prop. 43 would extend the 2/3 bar to local *citizen-driven* special tax ballot initiatives.

In other words, this measure would seek to *suppress* citizen-driven efforts by *discarding* the maority-rule basis of most democratic decision. I believe that, in a democracy, one must have *compelling reason* (such as important minority rights) to consider requiring more than a simple majority to make most decisions. So what is Prop. 43’s compelling argument?

In the prop's *pro* argument, they speak of (my emphasis) "California *families* are struggling". But 43 certainly is *not* prioritizing struggling families (who often *want to support* the services local governmentsts might provide – fire departments, road repair, local schools, etc.) Let's take a closer look at who Prop. 43 would benefit.

The *pro* argument goes on to say it "protects homeowners", because "Some cities now charge real estate transfer taxes as high as 6%". *Well,* it's true that San Francisco, with the *highest* transfer tax rate (or *one of the highest* – the helpful chart at https://taxo.com/transfer-tax-california-2026/ shows only *selected* city rates) levies up to 6% in transfer taxes, **but** thats on homes selling at **$25 million** and above! Also, that S.F. rate drops to 2.25% for home *under* **$10 million and over $5 million**. (At $5 million and below, it's a very low .75% – and continues on down.)

The *next* highest (selected) city rate on the chart is in L.A., at 5.5% for homes **over $10 million**. Like the *handful* of other cities that *do* tax at more than minimal rates, L.A. rates rapidly graduate *down. In other words,* the pro argument doesn't *lie,* but it's certainly irrelevant to *struggling* families!

I hope these examples make clear that this prop. is written primarily to protect the interests of ***wealthy* people**! But in our democracy, we're not *supposed to be* ruled by the (one-third) minority!

As the *rebuttal* to the *pro* argument says (slightly paraphrased), Prop. 43 doesn't cut your *taxes*, it cuts the *power of your vote.*

No – *P&F, FCL, Dem, Lgue, Ref, ACLU, CFT*

Yes – *Jarv, Rep*

• **Prop. 44 – Do Most of Us Know Enough About Health Clinics to Vote Wisely? – No**

What do most of us know about budgets for health clinics? Not much! And, to me, that's a reason to object to, or *at least* be *highly suspicious* of, props. like this one. It reminds me of the (defeated) prop. about dialysis clinics – and for good reason! That prop. – like this one – was also put on the ballot through the efforts of the Service Employees International Union-United Healthcare Workers West (SEIU-UHW).

SEIU-UHW chooses to use initiatives to push for its goals, and that tactic can be good, when it serves a wider public interest, *or bad*. SEIU-UHW has used ballot initiatives as a strategy to pressure its opponents to negotiate on union issues or to otherwise address healthcare worker issues. They're the ones who put Prop. 40 on the ballot – challenging the legislative silence on wealth taxes.

Since 2012 they've sponsored 48 ballot initiatives, and – although most have failed – the union has also won some gains for its workers. So I think it's important to look more at that history when considering the value of any particular one of their initiatives.

Going back to the 2022 dialysis proposition, I objected then that most of us don't know much about the proper operations of a dialysis clinic, so those details aren't appropriate to be made law through ballot measure. Why should medical decisions be made by unknowledgeable voters?

I have the same basic objection to Prop. 44.

In both cases, the changes proposed by the prop. sound *sort of* reasonable on their face; that's how SEIU-UHW is able to get people to sign their initiative petitions! In the case of Prop. 44, it calls for Federally Qualified Health Care Centers (FQHCC), providing care as "safety-net clinics", to spend

90% of their annual revenue on health care services. That *sounds like* a good thing to push for. However, currently, FQHCC report spending an average of about ***80%*** on health care services, although the percentage varies. The FQHCC say many of them could go out of business under Prop. 44, leading to underserved communities with even fewer options.

We elect legislators to work full time (well, sort of!) to hear and consider expert input on the details of the subjects of laws. I don't think it's a good way to run our state, to have voters trying to decide on laws for areas in which we are *unavoidably* ignorant. Are clinic executives paid too much? How should we know the "market rates" for such executive pay, let alone whatever special circumstances might influence that pay or any other non-health care services costs?

Ideally, the Leg. does its job and makes needed laws. Initiatives are supposed to come in when the Leg. falls short in an area. But there are **many** highly technical areas where it makes *no sense* to ask the public to hammer out details!

The dialysis prop. was defeated, and I think this one should be. We can't stop SEIU-UHW from trying to put initiatives on the ballot, but we don't have to vote for every one. Better yet, we can have fewer bad props. by *not signing initiative petitions on subjects we don't know well*!

No – *FCL, Jarv, PPar, Dem, Lgue*

Yes – *P&F, UHW, Ref*

• **Prop. 45 – Reduces Environmental Review Protections – No**

This ballot proposal wants to revise the environmental review process,. In California and most other states, we see numerous examples of **adverse environmental consequences** from inadequately reviewed projects, from housing to water projects. At the same time, valuable projects, even essential ones, can be delayed by and altered in the course of mandated California Environmental Quality Act (CEQA) environmental reviews, driving up costs.

In the age of data centers and other potentially harmful projects, do we really want to *weaken* environmental review and protections?

It isn't easy or quick to seek to find an agreeable middle ground between concerned people and project developers. Allowing enough **time** to identify problems and work out **options** is important, even though it may delay work. Also, project planners can better understand local concerns by **consulting and collaborating** with affected residents and communities. But when we look at the specific and basic aspects of Prop. 45, it lacks these foundational aspects – as well as others.

What about time for public participation, careful studies, and analysis? Under 45, *very large* projects will be pushed along with the same timeline as smaller ones.

As for community consultation, the prop. requires (per the Official Voter Information Guide – emphasis added). "the agency and applicant to consult about the project **only** with California native tribes that have been **formally recognized by the federal government**. (Current law requires consultation with a wider range of tribes.)" That referenced *wider range of tribes* could include any of the approximately **160 tribes in California** – out of over whom **only about 109 are *formally recognized***. That leaves out about 32%, nearly **one-third**, who would *not* be consulted about what happens on their ancestral lands!

Additionally, to identify an approach with reduced harms, it can be very helpful to consider ***various* options** to reach a project's goal. Yet 45 "Allows the applicant to develop **only one project alternative** for the agency to consider. (Current law requires the agency—not the applicant—to develop and consider **multiple project alternatives that could reduce environmental impacts**.)" (Again, per the Official Voter Information Guide, with bold added.)

Remember in Prop. 44, when I decried measures in areas that most of us don't know so much about? I have serious doubts that specifying the *details* of environmental review is an area that is appropriate for a ballot measure. Somehow, people sign these initiative petitions, but that doesn't mean we have to go along with passing a *long, detailed* initiative that's *not appropriate* for a voter decsion!

Also, as the Friends Committee on Legislation of California brings up, it may be possible that this prop. would "dramatically weaken environmental reviews of proposed data centers."

No – *P&F, FCL, Lgue, CFT*

Yes – *Jarv, Ref, CoC, Rep*

Voter Resources

California Choices – https://www.californiachoices.org/ – State-wide and local measures; lists of endorsements

Cal Matters – https://calmatters.org/california-voter-guide-2024/ – Scroll down for state-wide props. and races; helpful info including issues, money, and main & media endorsers/opponents

Progressive Voters Guide – https://progressivevotersguide.com/california – Good partisan info by Courage California: down-ballot, multi-issue guide detailing recommendations

Friends Committee on Legislation of California – https://fclca.org/ – Scroll down to find the link to their state ballot propositions page; brief analyses

Ballotpedia – https://ballotpedia.org/ – Very helpful; lots of background *plus* **local** races info.

League of Women Voters of CA-- The League has *both* a site with *non-partisan* "Pros and Cons" info on the ballot propositions *and* one with their ballot measure *recommendations*:

Pros & Cons – **https://lwvc.org/pros-cons-ballot-measures-november-3-2026-general-election/**

Ballot Measure Recommendations – **https://lwvc.org/ballot-recommendations/**

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- **With five, alive! *Yes on 1-5.***
- ***Vote yes* on the single digit propositions (1-5) and *no* on all the two-digit ones *except 40.***
- ***Yes* on 40; *no* on 41 and 42.**