

STATE PROPOSITIONS 2024

OVERVIEW – 2024

- Prop 2 – Authorizes Bonds for Public School and Community College Facilities
- Prop 3 – Constitutional Right to Marriage
- Prop 4 – Authorizes Bonds for Safe Drinking Water, Wildfire Prevention, and Protecting Communities and Natural Lands From Climate Risks, the “Climate Bond”
- Prop 5 – Allows Local Bonds for Affordable Housing and Public Infrastructure With 55% Voter Approval
- Prop 6 – Eliminates Constitutional Provision Allowing Involuntary Servitude for Incarcerated Persons
- Prop 32 – Raises Minimum Wage
- Prop 33 – Expands Local Governments’ Authority to Enact Rent Control on Residential Property
- Prop 34 – Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers
- Prop 35 – Provides Permanent Funding for Medi-Cal Health Care Services
- Prop 36 – Allows Felony Charges and Increases Sentences for Certain Drug and Theft Crimes

PROP 5

Allows Local Bonds for Affordable Housing and Public Infrastructure With 55% Voter Approval

What and why?


Proposition 5 would amend the California constitution by lowering the required threshold to 55% for any borrowing to fund affordable housing construction, down payment assistance programs and a host of “public infrastructure” projects, including those for water management, local hospitals and police stations, broadband networks and parks.

If it passes, the new cut-off would apply not just to future bonds, but any that are on the ballot this November.

Though an earlier version applied to certain tax hikes, the proposition now only covers bonds.

FOR

\$5M raised



Supporters argue that allowing just one third of voters to overrule the wishes of two thirds is undemocratic. If the majority of voters want their local government to borrow money to fund desperately needed affordable housing or other public infrastructure, they should be able to do so.

Backers also say this is a question of local control. Reducing the required vote threshold from two-thirds to 55% would allow local officials to fund their own priorities more easily without having to rely as much on statewide bonds or federal dollars.

SUPPORTERS


California Democratic Party
California State Building and Construction Trades Council
AIDS Healthcare Foundation
California Housing Partnership
California YIMBY
California Labor Federation
League of Women Voters of California
United Way Bay Area

MEDIA ENDORSEMENTS

Los Angeles Times
Sacramento Bee

AGAINST

\$29.4M raised



Opponents argue that it's always easy to support taking on more debt if you aren't the one who has to pay it back. When a local government decides to borrow money, that tab almost always gets put on property owners — who might make up a minority of voters — through higher taxes. Rather than allow a narrow majority to make what are potentially financially irresponsible decisions, the choice to issue a bond should be made only when a broad consensus exists.

Critics also call this measure just the latest attempt by Democratic lawmakers to undo the taxpayer protections that California voters embedded into the state constitution with Proposition 13.

OPPONENTS

California Chamber Of Commerce
Howard Jarvis Taxpayers Association
National Federation of Independent Businesses
California Republican Party
Catalyst For Local Control

MEDIA ENDORSEMENTS

Southern California News Group
East Bay Times/Mercury News
San Diego Union-Tribune
San Francisco Chronicle

PROP 36

Allows Felony Charges and Increases Sentences for Certain Drug and Theft Crimes

What and why?

Proposition 36 would reclassify some misdemeanor theft and drug crimes as felonies.

The measure would also create a new category of crime — a “treatment-mandated felony.” People who don’t contest the charges could complete drug treatment instead of going to prison, but if they don’t finish treatment, they still face up to three years in prison.


Ten years ago, voters approved Proposition 47, which sought to reduce California’s prison overcrowding by making some theft and drug crimes into misdemeanors. Since then, prosecutors, police and big box retailers have blamed the law for an increase in property crimes and homelessness. Prop. 36 is their attempt to unwind Prop. 47.

During the pandemic, the rate of shoplifting and commercial burglaries skyrocketed, especially in Los Angeles, Alameda, San Mateo and Sacramento counties. Statewide, the Public Policy Institute of California found that reported shoplifting of merchandise worth up to \$950 soared 28% over the past five years. That’s the highest observed level since 2000.

Combining shoplifting with commercial burglaries, the institute’s researchers found that total reported thefts were 18% higher than in 2019.

FOR

\$13.4M raised



Supporters pitch Prop. 36 as a way to combat homelessness, which is up by more than 50% since Prop. 47 passed. The reason, supporters say, is that drug dependence pushes people to the street, and increasing the penalties for drug possession is the only way to force people into treatment.

Supporters also say Prop. 36 is a good middle ground between California's tough-on-crime days, which pushed prison capacity past its breaking point, and the last decade under Prop. 47, which they have say created "loopholes in state law that criminals exploit to avoid accountability for fentanyl trafficking and repeat retail theft."

SUPPORTERS


Walmart, Target, Home Depot
California District Attorneys Association
California Correctional Peace Officers Association
California Republican Party
Howard Jarvis Taxpayers Association
California Chamber of Commerce

MEDIA ENDORSEMENTS

Mercury News/East Bay Times
San Diego Union-Tribune

AGAINST

\$5.3M raised



Opponents say that no studies on criminal justice or homelessness support the idea that harsher punishment — or the threat of harsher punishment — prevents crime or gets people off the street.

Prop. 36 will expend hundreds of millions of dollars in court and prison costs, they say, without measurably reducing crime or poverty. In the meantime, schools, health care and other essential services will go wanting.

The measure's opponents argue Prop. 36 would mark a return to the War on Drugs, which they said California voters rejected a decade ago with Prop. 47.

OPPONENTS

Gov. Gavin Newsom, Assembly Speaker Robert Rivas,
Senate President Pro Tem Mike McGuire
Alliance for Safety and Justice
ACLU of Northern California
California Democratic Party
League of Women Voters of California
Council on American-Islamic Relations, California

MEDIA ENDORSEMENTS

Los Angeles Times
Sacramento Bee
Southern California News Group

PROP 2

Authorizes Bonds for Public School and Community College Facilities

What and why?

Proposition 2 would provide \$8.5 billion to K-12 schools and \$1.5 billion to community colleges to renovate, fix and construct facilities. The money would be distributed through matching grants, with the state paying a greater share of costs for less affluent districts and those with higher numbers of English learners and foster youth. Some of the money would be set aside for removing lead from water, creating transitional kindergarten classrooms and building career and technical education facilities.

Unlike many other states, California does not pay for school repairs through a permanent funding stream. Money comes entirely from state and local bonds. The state's last school facilities bond, a \$15 billion proposal in 2020, failed, leaving the state's school repair account nearly empty.

PROP 2

Authorizes Bonds for Public School and Community College Facilities

- Allows the state to sell a \$10 billion bond, \$8.5B for public schools and \$1.5B for community colleges (see figure 1)
- For new construction and renovation projects, school districts would apply for and be awarded funding mainly on a first-come, first-served basis
- The state would award the career technical education and charter school funds through a competitive application process
- Community college bond funds may be used for any mix of new buildings, renovations, land purchases, and equipment. Community colleges would prepare a plan listing their statewide project priorities. The Governor and the Legislature would select specific projects to fund.

Figure 1

Uses of Proposed Bond Funds

(In Billions)

Public School Facilities	\$8.5
Renovation of existing buildings	\$4.0
New construction (including buying land)	3.3
Facilities for career technical education programs	0.6
Charter schools	0.6
Community College Facilities	\$1.5
Total	\$10.0

PROP 2

Authorizes Bonds for Public School and Community College Facilities

- Allows up to \$115 million in renovation funds to be used for reducing lead levels in water at public school sites.
- Allows school districts to receive extra renovation funding to build a new classroom or renovate an existing classroom that would be used for transitional kindergarten.
- For some school districts, Proposition 2 increases the state's share of new construction project costs from 50 percent to as much as 55 percent. Proposition 2 also increases the state's share of renovation project costs from 60 percent to as much as 65 percent for these school districts. In general, the state would pay a higher share of project costs for school districts that have lower assessed property values and have a higher share of their students who are low income, English learners, or foster youth.

PROP 2


Authorizes Bonds for Public School and Community College Facilities

State Bond Cost Estimate

Amount borrowed	\$10 billion
Average repayment cost	\$500 million per year over 35 years
Source of repayment	General tax revenue

FOR

\$7.3M raised



Supporters say this money is crucial for making basic safety improvements in schools, as well as for important upgrades like modern science labs, performing arts spaces and transitional kindergarten classrooms. School districts in lower-income areas have no other way to pay for those improvements.

SUPPORTERS

State Superintendent of Public Instruction Tony Thurmond

Association of California School Administrators

California Labor Federation

California Chamber of Commerce

California Federation of Teachers

California School Boards Association

League of Women Voters of California

Small School Districts Association

California Republican Party

California Democratic Party

MEDIA ENDORSEMENTS

San Francisco Chronicle

Sacramento Bee

Los Angeles Times

AGAINST

\$0 raised

Opponents say the state should include school repairs in its regular budget rather than turn to taxpayers, who they say are already overburdened. In addition, they argue that Prop. 2 would not directly impact students.

Several organizations are neutral on Prop. 2 but have voiced concerns about what they see as the inequitable distribution of funds. The state's sliding scale for matching funds should be wider, they said, with lower-income districts receiving a greater share of the funds. The nonprofit law firm Public Advocates has threatened to sue if the measure passes.

OPPONENTS

Howard Jarvis Taxpayers Association

MEDIA ENDORSEMENTS

East Bay Times/Mercury News

Southern California News Group

San Diego Union-Tribune

PROP 3

Constitutional Right to Marriage

What and why?

Proposition 3 would enshrine the right to same-sex marriage into the California constitution, repealing Proposition 8 — a measure approved by voters in 2008 that defined marriage as between a man and a woman. In practice, the ballot measure would not change who can marry.

California, the state with the nation's largest LGBTQ population, was thrust into national spotlight in 2004, when then-San Francisco Mayor Gavin Newsom began issuing marriage licenses to same-sex couples, defying a federal ban on gay marriage. The California Supreme Court quickly shut it down, and Californians voted in 2008 to ban same-sex marriage in the state.

That language — while still on the books — is effectively void after the U.S. Supreme Court in 2013 allowed same-sex marriage to resume in California, and the high court legalized same-sex marriage nationwide in a historic 2015 decision. In 2020, Nevada became the first state to enshrine the right to same-sex marriage in its constitution.

PROP 3

Constitutional Right to Marriage

California state Sen. Scott Wiener and Assemblymember Evan Low, both Democrats in the Legislative LGBTQ Caucus, introduced the constitutional amendment as a preemptive protection after the U.S. Supreme Court overturned federal abortion protections in 2022. Justice Clarence Thomas, a conservative, said that the court should also reconsider the constitutionality of same-sex marriage, but other conservatives on the bench disagreed.

FOR

\$3.1M raised

Supporters argue the measure would simply remove obsolete language from the California constitution and uphold the right to a practice already recognized by the highest court in the land. The protection is especially timely, they said, due to “recent threats against fundamental rights,” alluding to the 2022 Supreme Court decision to overturn Roe v. Wade and allow states to decide abortion laws.

SUPPORTERS

Equality California
American Civil Liberties Union of Northern California
Planned Parenthood Affiliates of California
California Association of Marriage and Family Therapists
California Democratic Party
Gov. Gavin Newsom
League of Women Voters of California
California Labor Federation
California Chamber of Commerce

MEDIA ENDORSEMENTS

Marin Independent Journal
Southern California News Group
Sacramento Bee
San Francisco Chronicle
Mercury News/East Bay Times
Los Angeles Times

AGAINST

\$0 raised

Opponents say the measure goes too far and would “override” marriage laws and remove protections against “child marriages, incest, and polygamy.” They argue that it’s best for children to be raised by both mothers and fathers, and that the measure “threatens our shared values of healthy families, healthy children, and a healthy society.”

An analysis of the proposal’s impact by the nonpartisan Legislative Analyst’s Office does not mention changes to state marriage laws.

OPPONENTS

California Family Council
The American Council of Evangelicals

MEDIA ENDORSEMENTS

PROP 4

“The Climate Bond”

What and why?

Approving Proposition 4 would authorize \$10 billion in debt to spend on environmental and climate projects, with the biggest chunk, \$1.9 billion, for drinking water improvements. The bond prioritizes lower-income communities, and those most vulnerable to climate change, and requires annual audits.

Environmental groups and renewable energy advocates have been advocating for increased spending on climate change and the environment in recent years, particularly after Gov. Gavin Newsom and the Legislature approved a \$54.3 billion spending package called the “California Climate Commitment” in 2022, only to scale it back to \$44.6 billion this budget-plagued year.

PROP 4

“The Climate Bond”

- Much of the bond money would be used for loans and grants to local governments, Native American tribes, not-for-profit organizations, and businesses.
- Some bond money also would be available for state agencies to spend on state-run activities.
- At least 40 percent of bond money must be used for activities that directly benefit communities that have lower incomes or are more vulnerable to the impacts of climate change.
- Requires regular public reporting of how the bond money is spent.

Figure 1

Key Goals of Proposition 4 Bond Funds

(In Millions)

Category	Key Goals	Amount
Drought, Flood, and Water Supply	Increase the amount and quality of water available for people to use and reduce the risk of flooding.	\$3,800
Forest Health and Wildfire Prevention	Improve the health of forests and protect communities from wildfires.	1,500
Sea-Level Rise and Coastal Areas	Reduce the risks from sea-level rise, restore coastal areas, and protect fish.	1,200
Land Conservation and Habitat Restoration	Protect and restore natural areas.	1,200
Energy Infrastructure	Support the state's shift to more renewable sources of energy, such as offshore wind.	850
Parks	Expand, renovate, and repair local and state parks.	700
Extreme Heat	Reduce the effects of extreme heat on communities.	450
Farms and Agriculture	Help farms respond to the effects of climate change and become more sustainable.	300
Total		\$10,000

PROP 4


“The Climate Bond”

State Bond Cost Estimate

Amount borrowed	\$10 billion
Average repayment cost	\$400 million per year over 40 years
Source of repayment	General tax revenue

FOR

\$1M raised



Supporters argue that, given the threat the state faces from wildfires, water pollution, and extreme heat, the need for more spending on these issues is “urgent.” Dozens of environmental groups are backing the measure.

SUPPORTERS

Clean Water Action
National Wildlife Federation
California Professional Firefighters
California Labor Federation
California Teachers Association
SEIU California
League of Women Voters of California
California Democratic Party
Metropolitan Water District of Southern California
California Municipal Utilities Association

MEDIA ENDORSEMENTS

Sacramento Bee
San Francisco Chronicle
Los Angeles Times

AGAINST

\$0 raised

Opponents argue that “bonds are the most expensive way for the government to pay for things” and that some of the money could go toward unproven technologies. They say that California should pay for such projects without taking on more debt.

OPPONENTS

Howard Jarvis Taxpayers Association
California Republican Party
Senate GOP leader Brian Jones
Assemblymember Jim Patterson

MEDIA ENDORSEMENTS

Southern California News Group
East Bay Times/Mercury News
San Diego Union-Tribune

PROP 6

Eliminates Constitutional Provision Allowing Involuntary Servitude for Incarcerated Persons

What and why?

Proposition 6 would amend the California Constitution to prohibit the state from punishing inmates with involuntary work assignments and from disciplining those who refuse to work. Instead, state prisons could set up a volunteer work assignment program to take time off sentences in the form of credits. It would let county or city ordinances set up a pay scale for inmates in local jails.

In 2020, following the Minn. Police murder of George Floyd, lawmakers created the first-in-the-nation reparations task force and directed it to address historical inequities that harmed Black residents. The task force recommended changing the state constitution to prohibit any form of enslavement as one of 14 key priorities this session.

Legislators considered a similar measure in 2022, but support tanked after the California Department of Finance estimated that it would cost about \$1.5 billion annually to pay minimum wage to prisoners. This year's amendment has the voluntary work program as a way to get around that issue.

FOR

\$1.2M raised

Supporters say that prisoners are often retaliated against for turning down assignments that can be dangerous or life threatening. It's inhumane, they say, to have to work long hours on jobs that do not necessarily contribute to future skills for little pay.

They also cite the growing number of states — including Colorado, Alabama, Tennessee and Vermont in recent years — that have adopted similar measures, though California would have stronger language against retaliation toward inmates.

SUPPORTERS

ACLU California Action
Anti-Recidivism Coalition
California Democratic Party
California Teachers Association
California Black Legislative Caucus
California Labor Federation
League of Women Voters of California
Council on American-Islamic Relations, California

MEDIA ENDORSEMENTS

Sacramento Bee
Los Angeles Times
San Francisco Chronicle

AGAINST

\$0 raised

An official ballot argument against the measure has not been filed. But a few Republican legislators voted against it. It reflects their larger opposition to reparations efforts by the state at a time when the budget deficit is a top priority.

Critics in other states have said that the current work system helps inmates and promotes necessary order in facilities aiming to rehabilitate inmates. Some say that upending that system by allowing inmates to turn down assignments could eventually make it more difficult to manage prisons.

OPPONENTS

Howard Jarvis Taxpayers Association
California Republican Party

MEDIA ENDORSEMENTS

East Bay Times/Mercury News
San Diego Union-Tribune
Pasadena Star-News

PROP 32

Raises Minimum Wage

What and Why?

Proposition 32 would raise the minimum wage to \$17 for the remainder of 2024, and \$18 an hour starting in January 2025 — a bump from the current \$16. Small businesses with 25 or fewer employees would be required to start paying at least \$17 next year, and \$18 in 2026.

Starting in 2027, the wage would be adjusted based on inflation, as the state already does. The hike would apply statewide, but it would have a bigger effect in some areas than in others. Nearly 40 California cities have local minimum wages that are higher than the state's, including six that already require at least \$18 and several already are just a small inflationary adjustment away from it.

In 2022, California became the first state to reach a \$15 minimum wage—a figure long fought for by unions and restaurant workers. But labor activists say the state's sky-high cost of living has already made that standard barely livable. According to the MIT Living Wage Calculator, even in the cheapest California county (Modoc), a single adult with no children would need to make at least \$20.32 an hour to comfortably afford the basics. The statewide average? \$27.32.

FOR

\$609.8K raised



Labor groups support the measure, though many say it's not as high a minimum wage as they'd like. Sanberg estimates it would give raises to 2 million workers statewide who haven't yet benefitted from industry-specific raises, or don't live in cities that require a higher wage. Supporters also argue the money would help families afford basic needs, would be spent at local businesses and would help reduce low-income Californians' use of taxpayer-provided benefits. UC Berkeley studies have found that California's gradual increase to \$15 had "no significant" effect on job losses.

SUPPORTERS

California Labor Federation
Unite Here
One Fair Wage
Working Families Party California
United Farm Workers
California Democratic Party
League of Women Voters of California

MEDIA ENDORSEMENTS

Mercury News/East Bay Times
San Francisco Chronicle
Los Angeles Times

AGAINST

\$518.7K raised



Business groups oppose the measure. They argue employers already face increased supply and labor costs from inflation and that for some, business hasn't bounced back fully since the COVID pandemic. They point to the state government itself, which, facing a budget deficit, delayed a \$25 health care worker minimum wage until this fall to see if it has the cash to cover it, and argue private employers should get the same benefit. They also point to surveys commissioned by the small city of West Hollywood, where 42% of businesses said they laid off staff or cut workers' hours in response to the city's \$19.08 minimum wage.

OPPONENTS

California Chamber of Commerce
California Restaurant Association
California Grocers Association
National Federation of Independent Business
California Republican Party
Howard Jarvis Taxpayers Association

MEDIA ENDORSEMENTS

Pasadena Star-News
Bakersfield Californian

PROP 33

Expands Local Governments' Authority to Enact Rent Control on Residential Property

What and why?

Many cities, including San Francisco and Los Angeles, limit the amount a landlord can raise the rent each year — a policy known as rent control. But for nearly 30 years, California has imposed limits on those limits, via a law known as Costa-Hawkins. Cities cannot set rent control on single-family homes or apartments built after 1995. And landlords are free to set their own rental rates when new tenants move in.

If Proposition 33 passes, that would change. Cities would be allowed to control rents on any type of housing – including single-family homes and new apartments, and for new tenants.

Nearly 30% of California renters spend more than half their income on rent— higher than in any other state except Florida and Louisiana, according to the Public Policy Institute of California.

PROP 33


Expands Local Governments' Authority to Enact Rent Control on Residential Property

To change that, tenant advocates have been fighting CostaHawkins for years, but so far, without success. They tried to overturn it with ballot measures in 2018 and 2020. Lawmakers also tried with legislation. While those efforts failed, Gov. Gavin Newsom in 2019 signed a law limiting annual rent increases statewide to 5% plus inflation. Supporters of Prop. 33 say that doesn't go far enough. They hope this finally is the year to upend the decades-old rules controlling rent control. But landlord groups opposing the idea tend to have deep pockets, and have been willing to spend a small fortune to convince voters that rent control is not the answer to the state's housing crisis.

The proposition itself does not make any changes to existing local rent control laws. Generally, cities and counties would have to take separate actions to change their local laws.

FOR

\$42M raised



[Arguments in support](#) of Prop. 33 boil down to one, basic point: The rent is too damn high. Teachers, police officers and firefighters starting their careers are paying half their salary to live in many California cities, while others on fixed incomes are one step away from homelessness.

Supporters argue rent control works well in many cities to help keep people housed. And, they say, passing Prop. 33 will return decisions about rent control back to local governments, which can pass tailored policies that work for their residents.

SUPPORTERS

AIDS Healthcare Foundation
California Democratic Party
Veterans' Voices
California Nurses Association
CA Alliance for Retired Americans
Housing is a Human Right
Tenants Together
Consumer Watchdog
Housing NOW
ACCE
UNITE HERE Local 11

AGAINST

\$92.3M raised



[Opponents say](#) if cities adopt strict rent control ordinances, it will make California's already dire housing shortage even worse. They argue property values will drop and developers will be less likely to build new housing, which, in turn, will drive up prices in existing rental units.

Critics also point out the measure does not actually include protections for renters.

After all, opponents argue, California voters have shot down this proposal twice already.

OPPONENTS

California Small Business Association
California Rental Housing Association
California Senior Alliance
California Council of Carpenters
California YIMBY
California Chamber of Commerce
California Republican Party
Sen. Toni Atkins
Assemblymember Buffy Wicks
Howard Jarvis Taxpayers Association

MEDIA ENDORSEMENTS

[Southern California News Group](#)
[San Francisco Chronicle](#)
[Mercury News/East Bay Times](#)
[Sacramento Bee](#)
[Los Angeles Times](#)

PROP 34

Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers

What?

Since 1992, federal law has given health care providers a deal: Serve low-income and at-risk patients and get a discount on pharmaceuticals. Providers that make use of this program can turn around and sell those drugs at retail rates. Their profits can then be used to expand their healthcare services to disadvantaged groups.

Proposition 34 would require some California providers to spend at least 98% of that net drug sale revenue on “direct patient care.” Providers that don’t risk having their state license and tax-exempt status revoked and losing out on government contracts.

But the proposition doesn’t apply to all providers— only those that spend at least \$100 million on expenses other than direct care, that also own and operate apartment buildings and that have racked up at least 500 severe health and safety violations in the last decade.

As far as anyone can tell, that only applies to one organization: The AIDS Healthcare Foundation.

PROP 34

Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers

Why- is this Prop 33's "revenge" prop?

The short answer is that a lot of politicians and housing interest groups really don't like Michael Weinstein.

Weinstein is the longtime president of the Los Angeles-based AIDS Healthcare Foundation, which operates HIV/AIDS clinics in 15 states. Under his leadership, the foundation has also become a major player in state and local housing politics. It has poured tens of millions of dollars into two unsuccessful statewide rent control measures (Prop. 33 on this year's ballot is round three). It has aggressively lobbied and campaigned against legislation requiring local governments to permit denser housing, at one point likening a bill authored by San Francisco state Sen. Scott Wiener to "negro_removal." In 2017, the foundation backed a partial moratorium on development in Los Angeles and sued to halt construction on residential highrises. Along the way, the foundation has amassed a sizable portfolio of rental properties in LA's Skid Row that have been saddled with habitability and health complaints.

Though Weinstein has plenty of political foes, a familiar one is funding this initiative: The California Apartment Association, the state's premier landlord lobby and a major opponent of rent control.

FOR

\$35.9M raised



Supporters say this is a simple case of accountability. When the federal government gives discounts to health care providers, taxpayers deserve to know that the money is being used to help the neediest patients. This proposition, they say, would provide much needed transparency and rein in abuse.

Supporters have also called out Weinstein specifically, calling him a “safety net scammer.” Prop. 34 would keep Weinstein from diverting the organization’s funds away from disadvantaged HIV and AIDS patients and towards his quixotic political projects.

SUPPORTERS

California Apartment Association
ALS Association
Assemblymember Evan Low
Howard Jarvis Taxpayers Association
California Chamber of Commerce
California Republican Party

MEDIA ENDORSEMENTS

Southern California News Group

AGAINST

\$7.7M raised



Opponents argue that this is a political hit job paid for by a landlord lobby out for revenge. In a democracy, they say, campaigns should make their case to the voters, not silence their opponents.

They also say the measure is also illegal and therefore unenforceable because both the U.S. and state constitutions prohibit a law from singling out a single person or organization for punishment. The foundation put that argument in a lawsuit late last year. Though the state Supreme Court declined to remove the proposition from the ballot on those grounds, courts rarely do so prior to an election. The constitutional issues remain unaddressed. If Prop. 34 passes, it will almost certainly end up back in court.

OPPONENTS

The AIDS Healthcare Foundation
Consumer Watchdog

MEDIA ENDORSEMENTS

San Francisco Chronicle
Mercury News/East Bay Times
San Diego Union-Tribune
Los Angeles Times

PROP 35

Provides Permanent Funding for Medi-Cal Health Care Services

What and why?

Since 2009, California has charged a specific tax on certain health plans, such as Kaiser Permanente. This tax is called the Managed Care Organization Provider Tax (“health plan tax”).

Tax is intended to pay for existing costs in Medi-Cal and to increase funding for Medi-Cal and other health programs.


The Legislature has not permanently approved this tax. Instead, it has approved it for a few years at a time. The federal government also must approve the tax. The tax was most recently approved in 2023. It will expire at the end of 2026, unless the Legislature approves it again.

And over the past 15 years, California has redirected more than \$30 billion of the funds collected by this tax for other purposes, diverting critical funding away from health care services and exacerbating the health care crisis across the state.

Proposition 35 makes the existing health plan tax permanent beginning in 2027, and would require that 99% of the revenue collected go to patient care.

FOR

\$52.1M raised



Supporters argue that California has relied on this tax — known as the Managed Care Organization Tax — for decades to offset general fund spending on Medi-Cal. Managed care health plans pay a tax to get a dollar-for-dollar matching amount of money from the federal government. Health providers who serve Medi-Cal patients argue that the tax revenue should be used for new investments in Medi-Cal rather than supporting the state’s general fund. Supporters also state that the measure leaves some money unrestricted to give lawmakers flexibility in balancing the budget or investing in additional Medi-Cal services.

SUPPORTERS

California Medical Association
Planned Parenthood Affiliates of California
California Hospital Association
California Dental Association
California Primary Care Association
California Democratic Party
California Republican Party

MEDIA ENDORSEMENTS

Sacramento Bee

AGAINST

\$0 raised

Gov. Newsom has indicated he will oppose the measure even though there is no official registered opposition group so far. He argues restricting how the tax revenue is spent “hamstrings” future legislators and governors’ ability to balance the state budget.

OPPONENTS

League of Women Voters of California
California Pan-Ethnic Health Network
The Children’s Partnership
California Alliance for Retired Americans
Courage California

MEDIA ENDORSEMENTS

Mercury News/East Bay Times
San Francisco Chronicle
San Diego Union-Tribune
Southern California News Group
Los Angeles Times