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NOVEMBER 3, 2026 ELECTION

The SPUR Voter Guide is here!

spurvoterguide.org







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Voter Guide Purpose & Process

The SPUR Voter Guide offers objective analysis and advises voters on which measures will deliver real solutions.



Proposition RTM

Regional Transit Sales Tax | Initiative

Levies a sales tax to prevent severe transit service cuts on BART, Caltrain, Muni, and AC Transit and to invest in local transportation priorities to protect and improve quality of life, affordability, economy, and air quality.

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What the Measure Would Do

Proposition RTM is a 14-year, 5-county sales tax that would raise approximately $1 billion per year to preserve transit service. In addition to preventing cuts to BART, Muni, Caltrain, and AC Transit, the measure would raise revenue for regional rider-focused programs that make transit more seamless and easy to use. The measure includes strong oversight and financial efficiency requirements for ongoing cost controls.

The tax rate would be set at 0.5% in Alameda, Contra Costa, Santa Clara, and San Mateo and at 1% in San Francisco. The varied rates reflect differences in each county's tax base and use of regional transit services.

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RTM in Santa Clara County

Prop RTM would generate approximately $264 million annually for local transportation priorities in the county. For example:

Foundation



Bus Corridor Improvements
Pothole and Road Repair with Transit Signal Improvements
Complete Streets Projects
-Homestead & Bascom



Upgraded Stops & Stations and Vehicle Best Practices
Additional/improved seating
Passenger amenities
Upgrades to vehicles to improve comfort and safety



Safety & Security Improvements
Replacing and expanding closed circuit TV
Accessibility enhancements
Increased staff at stations and on vehicles



Transit Service Stabilization
Ensure VTA retains current service levels
Maintain operating reserves
Maintain state of good repair for VTA & Partners

Reimagine



Visionary Network Implementation
Additional bus and light rail service delivered in phases



Bus & Light Rail Speed Improvements
Transit signal priority projects
Bus Lanes



Fare & Service Programs for Seniors, Disabled, and Students
New services and programs to improve transit access
Expansion of student fare programs



Customer Technology & Insights
Acquisition of new customer-facing technologies including:
- Real-time arrival information
- Expanded bus stop lighting
- Enhancements to wayfinding and the VTA mobile app

Accountability & Oversight

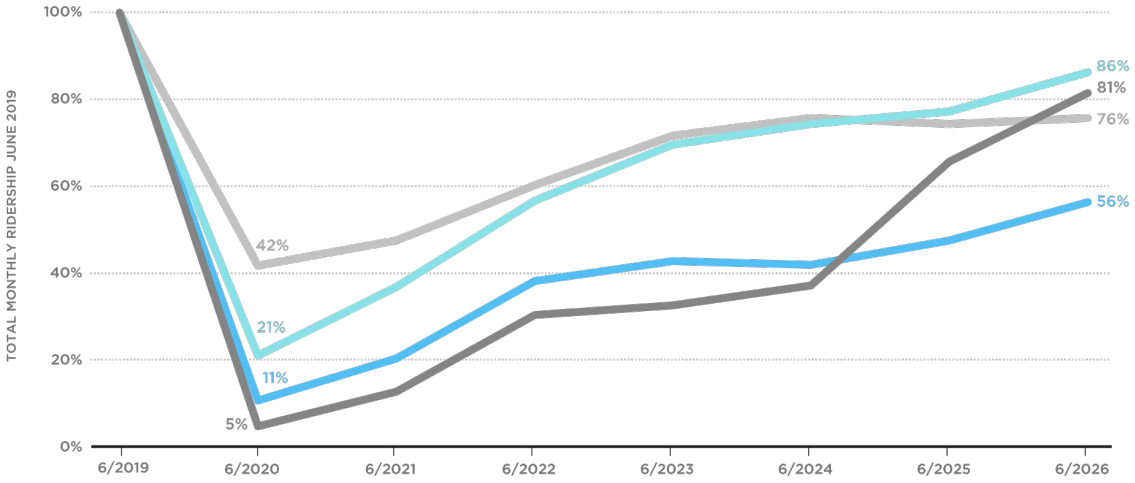
Agencies have been reducing costs; AC Transit, BART, Caltrain and Muni found have collectively saved $1 billion in operating expenses in the last five years through various cost saving actions. In addition, the measure requires:

- **Independent financial reviews** of BART, Muni, Caltrain, and AC Transit, with requirements to implement cost-saving recommendations in order to receive funds.
- **Citizen oversight** of spending and performance.
- **County-level oversight** to ensure service standards are applied fairly, with authority to withhold funds for noncompliance.

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The Backstory

Before the pandemic, the Bay Area's largest transit systems operated near capacity, collecting a significant share of operational funding from fares, parking revenues, and other local sources tied to the economy's health. When federal and state COVID-relief funds are exhausted at the end of this year, BART, Caltrain, Muni, and AC Transit will face annual deficits of 25% to 45% of their operating budgets.



In June 2026, BART, Muni, and Caltrain posted double-digit gains over the previous year, but ridership and revenues remain below pre-pandemic levels overall.

Source: SPUR analysis of BART, Caltrain, Muni, and AC Transit self-reported total monthly ridership.

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The Backstory

Facing a fiscal cliff, BART, Caltrain, Muni, and AC Transit could undertake widespread service cuts beginning as soon as January 2027:

- **BART:** Cut more than 60% of service, reduce service to three primary lines with limited peak service on two others, and end service by 9 p.m. Longer-term cuts could include closing up to 15 stations and potentially the entire system.
- **Caltrain:** Close 10+ stations, reduce service to 1 train per hour, cut service to eliminate weekend service, and end weekday service by 9 p.m.

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Pros

- The measure avoids catastrophic service cuts to BART, AC Transit, Muni and Caltrain.
- Protects mobility for people with disabilities, students, and older adults.
- This measure prevents traffic from getting worse on Bay Area freeways.
- This measure helps to lower household transportation costs.
- The cost of failure far exceeds the cost of the measure for most people.
- The measure emphasizes financial accountability and cost controls.

Cons

- The measure would impose a new tax on Bay Area residents in the five subject counties.

SPUR's Recommendation

The potential collapse of transit services poses a serious threat to the many people who rely on transit to access jobs, medical appointments, and groceries. Vulnerable groups — including people with disabilities, older adults, students, and low-income workers — would bear the brunt of service cuts. This measure is a unique opportunity to improve transit in Santa Clara County.

Transit is also vital for the region's economy: half of all transit trips are work-related, and transit supports access to job opportunities. Without robust transit, traffic congestion will worsen, raise transportation costs for everyone and negatively impacting quality of life and the regional economy.

Vote YES 

Proposition 1

Affordable Housing Bond | Bond

Authorizes $10 billion in general obligation bonds to fund production of affordable and supportive housing and $1.25 billion in mortgage revenue bonds to fund a homeownership program for veterans and military families.

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What the Measure Would Do

- The bond proceeds would replenish key state affordable housing financing programs for new construction, preservation, and homebuyer assistance.

  According to Housing California, the bond is estimated to help produce more than 40,000 new affordable homes, preserve 5,500 existing affordable units, and assist 13,000 first-time homebuyers.

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Pros

- The state has a chronic affordable housing crisis that cannot be addressed without significant public investments. This bond is a major part of the solution.
- Funding would be distributed through existing state programs that have a proven track record.

Cons

- The bond will contribute to the state's debt burden, with debt service on the bond representing 0.26 percent of the overall State General Fund budget.

SPUR's Recommendation

Vote YES on Prop. 1 Affordable Housing Bond

California's housing affordability crisis continues to grow largely due to a shortage of supply and inadequate funding. Thousands of affordable housing projects that have been approved have stalled due to a lack of financing. Funds would be distributed through well-established state programs that have a demonstrated track record of success.

Vote YES 

Proposition 37

Homeowner Loans | Bond

Authorizes $25 billion in state revenue bonds to encourage the construction of new homes and increase middle-class homeownership through second mortgages.

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What the Measure Would Do

- Authorizes state revenue bonds for fixed-rate mortgages for buyers of newly-built homes. The California Housing Finance Agency (CalHFA) would offer eligible buyers fixed-rate mortgages for up to 17% of the purchase price of a newly-constructed home. Bonds and administrative costs would be repaid by home loan borrowers.

  The campaign estimates the measure would create 190,000 new homes statewide.

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Pros

- Prop. 37 would potentially create more homeownership opportunities in a state that has one of the lowest (55.8%) homeownership rates in the nation.
- Focuses on new construction to increase housing supply.
- Requires CalHFA to provide for an independent annual audit of the program.

Cons

- Prop. 37 is not limited to first-time homebuyers nor targeted to low- or moderate-income households.

SPUR's Recommendation

Vote YES on Prop. 37 for Homeownership Loans

We recommend a YES vote on Prop. 37. SPUR supports the creation of new tools to spur homeownership and these revenue bonds are fiscally neutral. The focus on new construction will boost the supply of for-sale homes in the state and allow homebuyers to accumulate generational wealth in the form of home equity.

Vote YES 

Proposition 45

Environmental Review | Statute

Changes the California Environmental Quality Act to streamline the environmental review of eight categories of housing and certain transportation, energy, health, public safety, education, and water projects designated as essential.

What the Measure Would Do

The purpose of CEQA is to evaluate, disclose, and mitigate potential environmental impacts of public and private projects that require government approval. It is a precursor to receiving permits.

Prop 45 would streamline the environmental review of 8 categories of projects designated as “essential”: housing, clean energy, (drinking) water, public health, public safety, broadband internet, transportation, and education.*

- Apply to projects of any scale
- Apply to projects anywhere in the state

Streamline the review of any supportive infrastructure needed for essential projects.

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* Excludes the High-Speed Rail project and the Delta Conveyance project

Pros

- Creates a clear schedule and reduces sources of risks for the vast majority of projects.
- Reduces risks and costs of infill housing projects, of all scales, as well as many types of infrastructure projects.
- Limits frivolous lawsuits, resolves legal ambiguity from recent legislation, and provides certainty in the courts.

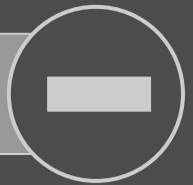
Cons

- Overly broad definition of “essential” captures many environmentally harmful projects.
- Limits alternatives analysis, which may lead to suboptimal project selection.
- Caps on public comment periods favor well-organized and well-resourced organizations.
- Requires strict timelines that many cities will find difficult to meet.
- Could weaken local planning powers by shifting litigation risk to cities and allowing projects to bypass the general plan and zoning.
- Difficult to amend.

SPUR's Recommendation

SPUR recognizes that the abuse of CEQA is problematic and has consistently supported targeted CEQA reforms for infill housing, clean energy, public transit, and climate resilience. However, Prop. 45 would streamline development that contributes to sprawl or harms to environmental justice communities and sensitive habitat, while straining local governments. The SPUR Board supports taking excessive risk and delay out of building essential infrastructure in the right places, but remains deeply concerned about this measure's potential negative impacts.

No Recommendation



Proposition 2

Rainy Day Fund | Constitutional Amendment

Increases the maximum balance of the state's rainy day reserves from 10% to 20%, changes how deposits and withdrawals from the account are calculated and authorized, exempts deposits from state spending caps, and expands mandatory repayment of certain debts and unfunded liabilities.

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What the Measure Would Do

Proposition 2 would modify California's Budget Stabilization Account (the state's rainy day fund) to:

- Increase the maximum reserve balance from 10% to 20% of the state's annual general fund revenues.
- Require additional revenue deposits to increase the reserve and repay certain state long-term debts during periods of extraordinary revenue growth.
- Expand the definition of long-term debts eligible for repayment from the reserve and extend these requirements from 2030 to 2040.
- Clarify the account's interaction with state constitutional limits on appropriations (setting funds aside for a specific purpose).

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The Backstory

- California's tax system produces volatile revenues because it relies heavily on personal income taxes, particularly capital gains.
- Consequently, revenues rise when the economy and stock market are strong and can fall by billions during downturns, creating boom-and-bust budget cycles.
- In 2014, voters established a constitutional rainy day reserve known as the Budget Stabilization Account.
- During strong revenue years, the state must put half of excess revenues into the reserve until the reserve totals 10% of annual General Fund revenues — the other half goes towards paying down liabilities.
- This has substantially improved California's fiscal resilience, allowing the state to build larger reserves that have helped cushion recent budget deficits.
- This measure increases both the size of required reserve deposits and the amount the state may accumulate in the reserve, strengthening the fund.

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Pros

- Would improve the state's rainy day account requirements to better manage the boom-and-bust nature of the state's volatile revenue structure.
- Would benefit California city and county governments that often face state budget reductions during economic downturns.
- Would reduce the state's long-term costs.
- Would rationalize the reserve's interaction with state constitutional appropriation limit requirements.

Cons

- The maximum required balance for the Budget Stabilization Account would cover only about 50% of revenue losses during a typical economic downturn.

SPUR's Recommendation

Given the volatile nature of California's tax revenue structure, adequate reserve requirements are necessary to avoid severe service reductions during economic downturns. The proposed measure would better manage this boom-and-bust cycle by requiring greater savings during good times to avoid deeper reductions during bad ones — when public safety-net services are most needed.

Vote YES 

Proposition 4

Campaign Financing | Statute

Repeals the ban on public financing of campaigns and allows state or local governments to establish programs that provide candidates with public funding under pre-established spending limits and eligibility requirements.

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What the Measure Would Do

Give the state and all local jurisdictions, including general law cities, the option of creating a public financing program for candidates running for office.

If state and local governments opt in:

- Required to develop expenditure limits and qualification criteria for candidates to qualify
- Does not specify what kind of public financing has to be used but funds cannot come from money earmarked for education, transportation, or public safety
- Bars public funds from being used for legal defense fees, fines, or to repay personal loans to a campaign

The measure would expand the option of public campaign financing beyond charter cities, which currently have authority to offer this.

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Pros

- Could encourage more candidates to run for office and help the candidate pools to better reflect localities' racial, gender and socioeconomic diversity
- Would encourage more small donors and less reliance on big money
- Lowers entry barriers for candidates without wealthy networks, name-recognition, or fundraising experience
- Voucher system can increase voter engagement and turnout
- Not a mandate: allows local flexibility and opt-in

Cons

- Mixed evidence on whether public campaign financing can reduce influence of big money in elections or politics
  - Independent expenditures and PACs remain untouched
- Recurring public expenditure — via general fund appropriations, dedicated taxes, or fees — if programs are adopted
  - Taxpayers may be funding campaigns/candidates whose views they oppose
- Administrative burden and complexity: programs require infrastructure (qualification review, spending-limit enforcement, audits, fraud detection, etc)

SPUR's Recommendation

California campaigns are expensive and donor-dependent. Public financing brings in more small-dollar donors, lowers barriers for first-time and under-resourced candidates, and increases candidate diversity and voter engagement. These benefits align with SPUR's view that equitable representation requires campaign finance reform. Financing programs would add costs and create administrative burden, but because governments would opt in to Prop. 4, they would retain flexibility over whether and how to implement it. SPUR supports clearing this state-level barrier and letting cities, counties, and the state decide for themselves.

Vote YES 

Proposition 5

Recall Process Reform | Constitutional Amendment

Amends the California Constitution to remove the choice of a successor from recall elections. Allows vacancies created by recalls to be filled under succession rules for state officers.

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What the Measure Would Do

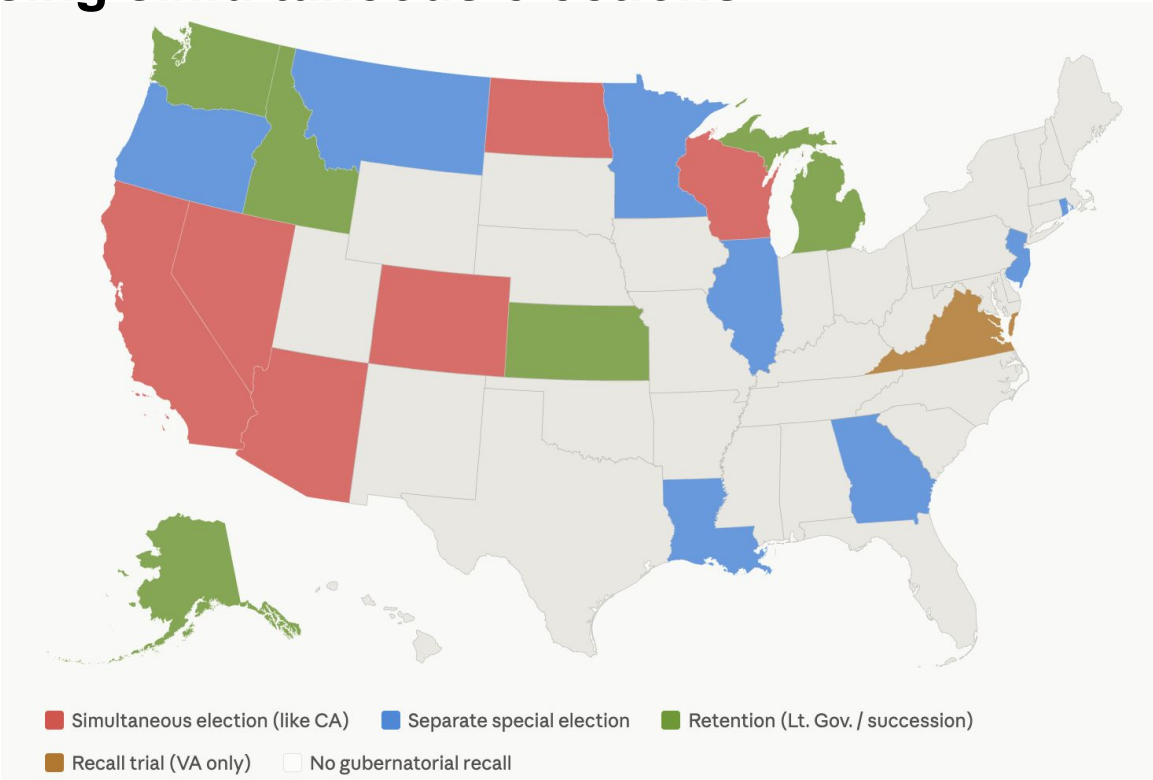
Prop 5 would amend the California Constitution to change how state officer recall elections work:

- **Eliminates the simultaneous successor election** that currently takes place at the same time as the recall vote. Offices would instead be filled through existing constitutional succession rules rather than a concurrent replacement election.
- If a Governor is recalled, the amendment provides that the Lieutenant Governor would assume the governorship for the remainder of the term, or until the next election.
- If the Governor is successfully recalled before the close of nomination for the next statewide election, a special election will be held at the next statewide primary to select a replacement.
- Removes the prohibition on recalled officers running for the same office in a subsequent special election.
- If recall of the Governor or Secretary of State is initiated, the recall duties of that office shall be performed by the Secretary of State or Controller, respectively.

The Backstory

- 1911: 76.8% of California voters authorized the recall process via a ballot measure.
- 2003: Gov. Gray Davis successfully recalled and replaced with Gov. Arnold Schwarzenegger, who won with 48.6% of the vote.
- Since 1913, there have been 179 recall attempts of California state elected officials; 11 qualified for the ballot and 6 officials were ultimately recalled.
- SCA-1 was introduced on January 30, 2023 by State Sen. Josh Newman (D-29) and Asm. Isaac Bryan (D-55) and was largely passed along party lines with Democrats in support.
    - Sen. Josh Newman was successfully recalled in 2018
- The measure was referred to the November 3, 2026 statewide ballot by the Legislature and requires a simple majority of voters to pass.
- Opposition is led by Election Integrity Project California, Inc., an organization led by Republican Assemblymember Carl DeMaio.

California is currently in a minority of states using simultaneous elections



6 simultaneous recall

13 separate special election or retention model

28 no gubernatorial recall

1 Recall trial

Equity Impacts

- The current successor-election system allows a candidate to take statewide office with a small plurality of the vote—sometimes well under 50%—which can dilute the influence of any single bloc of voters, including communities of color.

- Eliminating the simultaneous successor vote does reduce one direct opportunity for voters to weigh in on a successor, although the constitutional succession process preserves a democratically legitimate alternative.

Pros

- Reduces the risk that a recall election installs an officeholder who lacks majority support.
- Discourages using recalls as a strategic end-run around a normal election cycle.
- Provides more predictability and stability in gubernatorial succession.
- Clarifies decisions for voters who may be confused by the successor election process.
- Reduces the likelihood of voters choosing not to recall an elected officer due to concerns about their successor

Cons

- Requires a special election in certain cases (legislator recalls), which could increase the cost of filling a vacancy.
- Allows for appointees who were not elected to the Governor's office to hold the Governorship and preside over a lame duck period that risks weakening the ability for leadership to enact strong policy.

SPUR's Recommendation

Prop 5 will help California avoid scenarios in which a successor can take statewide office with only a small plurality of votes, in a process separate from the ordinary majority-rule elections used to select officeholders in the first place. It will also remove an incentive structure that has made recalls attractive as a strategic partisan tool even absent majority support for removal. Replacing a plurality-rule special election with an institutional process tied to officials who themselves were elected by a majority of voters represents a more democratically coherent outcome than the status quo.

Vote YES 

Proposition 39

California Voter ID | Constitutional Amendment

Requires voters to present a government-issued identification card at the polls or the last four digits of a government-issued identification number when voting by mail.

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What the Measure Would Do

Amend the California Constitution to add three new requirements to statewide voter rules:

- Voters would need to present government-issued ID to vote in person, or provide the last four digits of a government-issued identification number to vote by mail
- The state would be required to provide **free voter identification cards**
- The Secretary of State and county elections officials would be **required to verify voters' citizenship attestations** and annually report the percentage of each county's voter rolls that have been citizenship-verified.

California already has voting safeguards. When registering to vote, voters certify eligibility under penalty of perjury, and officials verify voters' identities.

Current CA safeguards: providing a driver's license number, state ID number, or the last four digits of a Social Security number when registering to vote, attesting under penalty of perjury that one is a U.S. citizen, and signature verification on vote-by-mail ballots.

Proponents of the measure argue that this will reduce voter fraud in CA elections, however, there is no evidence of widespread voter fraud in past CA elections.

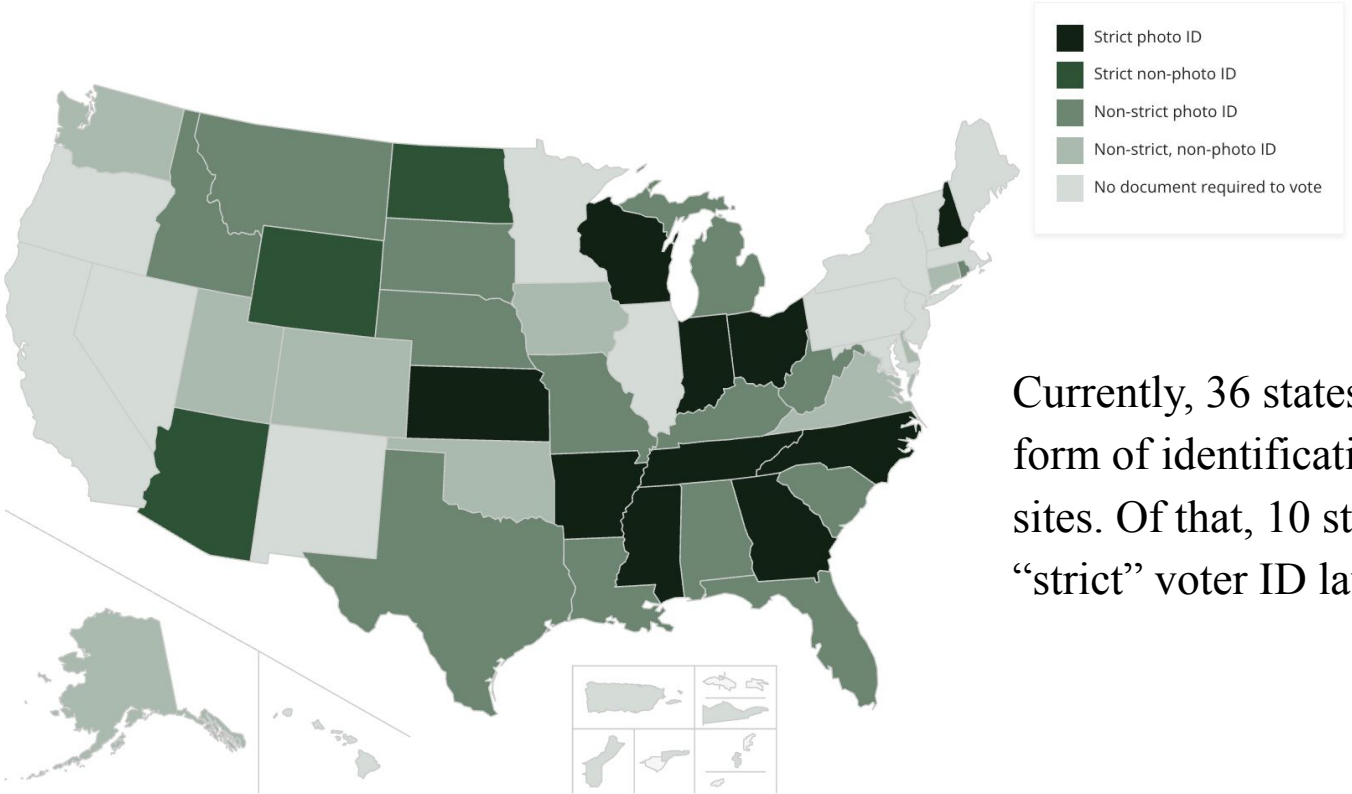
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The Backstory

- September 2024: the state passes SB 1174, which prohibits any local government in California from enacting its own voter ID requirement. *The state sues Huntington Beach over its 2024 Voter ID Measure, arguing it was preempted by state election law.*
    - January 2026: the California Supreme Court sided with the state and struck down Huntington Beach's local voter ID requirement.
- January 2025: Assemblymember DeMaio introduced the California Voter ID and Election Integrity Act of 2025 (AB 25) - Failed.
- January 2026: A voter ID law, H.R.7296 - SAVE America Act, was introduced to Congress and quickly passed out of the House of Representatives, then slowed. If H.R. 7296 were to pass, voters in all states would be required to present photo identification that indicates U.S. citizenship when voting, preempting state laws.

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The Backstory



Currently, 36 states require some form of identification at polling sites. Of that, 10 states have “strict” voter ID laws.

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Ballot Placement and Votes Needed

- Measure authors: Assemblymember Carl DeMaio (R), State Senator Tony Strickland (R), and Donald J. DiCostanzo of Californians for Voter ID
- Qualified for the ballot through signature gathering
- Simple majority (50% plus one vote) to pass

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Equity Impacts

- Voter ID laws remain a central equity issue in debates over voting rights and democratic participation in the United States.
- Research has consistently found that voters of color, low-income individuals, elderly voters, students, people with disabilities, and those who have recently changed their names are less likely to possess the specific forms of government ID required under strict voter ID laws.
    - Racial disparities in ID possession: 13% of Black Americans lack proper voter identification, compared to only 5% of white Americans.
- The costs of obtaining acceptable identification—including fees for underlying documents such as birth certificates, transportation to government offices, and time away from work—can create burdens for these populations when voting.

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Pros

- SPUR could not identify any benefits to this measure.

Cons

- Neither perceived voter fraud nor actual voter fraud improves with voter ID laws
- Creates barriers, increase ballot rejections, slow voting at polls, & targets communities that already face obstacles to voting
- Can increase risk of identity fraud and scams for mail in votes (with names, addresses, ID #s)
- High costs: one-time costs estimated at tens of millions, annual costs estimated at tens to hundreds of millions (LAO)

SPUR's Recommendation

Despite allegations of voter fraud after the 2020 Presidential election, there has been no evidence of widespread fraud in California. Studies have shown that **neither perceived voter fraud nor actual voter fraud improves with the implementation of voter ID laws**. If this measure passes, California would become one of the fewer than 10 states with "strict" voter ID requirements. This law would create barriers for voters without a state-issued ID and would impose additional costs of tens to hundreds of millions of dollars on state and local governments.

Investing public money to implement strict Voter ID requirements to address an uncorroborated issue of voter fraud is not an effective use of taxpayer dollars.

Vote NO X

Proposition 40

Billionaire Tax | Constitutional Amendment & Statute

Enacts a one-time state wealth tax of 5% on taxpayers and trusts with a net worth of more than $1 billion.

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What the Measure Would Do

One-time excise tax of 5% on individuals with a net worth of more than $1 billion, estimated to generate tens of billions of dollars. Tax is retroactive (based on residency status as of January 1, 2026). Net worth includes: publicly traded securities, private business entities, art, IP, vehicles, personal property, grantor trust assets, and dependents' assets that exceed $50k. The tax does not apply to real estate, pensions, or retirement savings.

Revenues would be restricted to health care (90%) and food assistance and education programs (10%). Revenues would be exempt from the state spending limit under Prop 4 (Gann Limit).

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The Backstory

- HR-1 will result in heavy cuts to social safety net programs like Medi-Cal ($19 billion), which covers nearly one-third of state's population and 50% of children under 5. Funding cuts will accelerate hospital closures especially in rural areas. CalFresh, SNAP, and schools will also be heavily impacted.
- Income inequality in California is at an all-time high. There are 200-250 billionaires in California, and their wealth has increased by 48% in the last year ($2 trillion). Meanwhile, disposable income for lower income households is shrinking, and they are disproportionately burdened with other taxes and fees.
- While California has a highly progressive income tax structure, high-wealth individuals benefit from low property taxes (Prop 13) and they do not pay taxes on other sources of wealth, including inheritances.
- Recent tax increases on higher earners have not led to mass out-migration. Most of the population loss in recent years has been low-wage workers.

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Pros

- The tax will generate tens of billions in revenue to mitigate drastic funding cuts to health care, food assistance, and schools.
- Revenues will benefit low-income families who depend on Medi-Cal, SNAP, CalFresh, etc.
- Highly progressive tax on individuals who made enormous wealth gains in the last year.
- Tax is structured based on retroactive residency and would be difficult to evade.

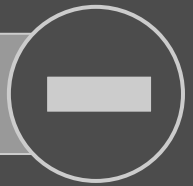
Cons

- Fills a budget deficit with one-time funds and does not address ongoing needs.
- If billionaires leave in protest, it would reduce personal income tax revenue over time, which the state relies on.
- California already has the highest income tax rate in the US, and Prop. 40 could create the perception that the state is not welcoming to private investors and companies.
- Prop 40 was placed on ballot without broad coalition support.

SPUR's Recommendation

No recommendation. SPUR's board did not reach a recommendation for Prop. 40. While the tax would be paid by those who can most afford it, and would generate much-needed funds to meet the needs of millions of vulnerable Californians, it has good government flaws. The revenue is one-time only and does not fund ongoing health care and food programs. It could potentially cost the state revenues in the longer term if billionaires flee in response. Prop. 40 was placed on the ballot by SEIU-UHW without robust coalition-building, failing to gain consensus among many groups due to potential negative impacts.

No Recommendation



Proposition 41

Audits Special Taxes | Constitutional Amendment

Requires audits of citizen initiatives for special taxes. Imposes spending limits on all new special taxes.

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What the Measure Would Do

Audits for citizen initiatives - Requires State Auditor, working with Legislative Analyst's Office, to conduct independent review of any citizen initiative that aims to create a new special tax once it reaches 25% of the signature gathering requirement. The information would be included in the voter information guide, which would cost hundreds of thousands of dollars per initiative.

Limits New Special Taxes - Any new special taxes passed after Jan. 1 2026 would be subject to spending limits under Prop. 4 (Gann Limit), effectively nullifying Prop. 40. Excess revenues would have to be spent on education or state reserves. This would limit potential investments in housing, health care, economic development, and infrastructure.

Audits for new taxes - The State Auditor would be required to conduct audits every four years to assess how the money is being spent, evaluate efficiency, and recommend improvements. Public input would be incorporated.

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Pros

- Audits of proposed citizen initiatives could help ensure that the programs they would fund are cost-effective.

Cons

- Prop. 41 was placed on the ballot to prevent another competing measure from succeeding.
- A constitutional amendment applying Gann spending limits to all new revenue measures would constrain the ability for California to fund urgent priorities not only now, but also into the future.

SPUR's Recommendation

More transparency and accountability in government spending are worthy objectives. However, the Legislative Analyst's Office and the State Auditor already have the authority to evaluate policies and programs to ensure they are equitable and efficient. Prop. 41 was primarily placed on the ballot to defeat Prop. 40, a competing tax measure on billionaires. In addition, it will constrain the ability to raise revenues for much-needed housing, transportation, infrastructure, and social services - not just now, but into the future.

Vote NO X

Proposition 42

Personal Property Taxes | Constitutional Amendment

Prohibits new state and local taxes on personal property and any tax that applies retroactively.

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What the Measure Would Do

Prop. 42 blocks the state from implementing any new taxes on personal property, including retirement holdings, personal savings, real estate, stocks, and any other assets.

It also bans any taxes that are in effect based on a residency status from before the tax is enacted, with limited exceptions.

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Pros

- Banning retroactive taxes would create more predictability for taxpayers.

Cons

- Prop. 42 was placed on the ballot to prevent another competing measure from succeeding.
- Permanently restricting the state's taxing authority could have a negative impact on efforts to fund health care, food assistance, infrastructure, housing, and other programs that disproportionately benefit lower-income Californians and communities of color.

SPUR's Recommendation

Prop. 42 was primarily placed on the ballot to defeat Prop. 40, a competing tax measure on billionaires. If passed, it would permanently constrain local and state governments' current and future ability to raise revenues for many important purposes, including housing, transportation, infrastructure, and social services.

Vote NO X

Proposition 43

Local Tax Threshold | Constitutional Amendment

Limits voters' ability to raise revenues for local government services. Requires two-thirds voter approval to impose, extend, or increase special taxes, specifically eliminating the ability for a citizen initiative to qualify with a simple majority vote.

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What Prop 43 Would Do

- Require a two-thirds vote of the electorate to approve all special taxes, whether placed on the ballot through citizen initiative (voter signatures) or by government officials.
    - Special taxes placed on the ballot by government officials currently require two-thirds vote of the electorate to approve. However in 2017, the California Supreme Court ruled that taxes placed on the ballot by voters through signature gathering were not subject to this same two-thirds requirement and only required approval by 50%+1
    - Proposition 43 would overturn this decision and establish a uniform two-thirds approval requirement

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Backstory

- In 1978, Proposition 13 capped property tax rates at 1% of assessed value and established a 2/3 voter requirement for approval of all special taxes.

- In 2017, the California Supreme Court entered a decision in California Cannabis Coalition v. City of Upland clarifying that the ⅔ requirement related to the imposition of new special taxes applied only to proposals put forward by the government and not to those proposed directly via citizen initiative.

- Since the Upland decision, a small number of high-profile local special taxes in California have been proposed and passed via citizen initiative with a simple majority. Examples include 2018's Proposition C in San Francisco (which increased gross receipts taxes to fund homeless services) and Measure ULA (a 2022 proposition that increased Los Angeles' real estate transfer tax on high-value property sales).

SPUR

Pros

- Prop. 43 would simplify existing law and establish a consistent, uniform voter threshold for imposing, extending, or increasing new special taxes.
- The measure would maintain the 50% plus one vote threshold for passing general taxes (those not dedicated to a specific purpose).

Cons

- Undermines basic principle of majority rule by imposing a heightened approval threshold on certain voter-proposed initiatives.
- Would continue and expand on the legacy of Prop. 13, a law that has profoundly distorted California's tax structure.
- It would eliminate one of the few viable ways to raise local revenues.

SPUR's Recommendation

Proposition 43 would cement and expand the legacy of Proposition 13 by amending the California constitution to establish a uniform two-thirds voter approval threshold for the imposition or extension of any special taxes. SPUR has consistently called for the reform of Proposition 13 and opposed onerous new restrictions on the government's ability to raise needed revenue - Proposition 43 takes the state in the opposite direction.

Vote NO X

Proposition 3

High Earner Income Tax Extension | Constitutional Amendment

Makes permanent the state's marginal income tax rates on the top 2% of earners to fund education, healthcare, and other state programs.

What the Measure Would Do

- This measure would make permanent the state's top marginal tax rates on the top 2% of earners, which are set to expire in 2030 bringing in $5-$15B
- This is not a new or increased tax; it continues the rates already in place since 2012 under Proposition 30/55.
- Per the State's Constitutional Prop 98 funding minimum, on average, about 40% of the revenue (between $2 billion and $6 billion) would go to schools, but the rest can fund children's healthcare, the Rainy Day Fund, and other General Fund uses.
- If this tax expires, the state would need to backfill roughly $10 billion elsewhere in the General Fund to keep meeting the Prop 98 guarantee at the same time as state budget deficits are predicted to widen, with no alternative revenue plan in place.

SPUR

Pros

- This helps backfill ongoing funding needs for children's healthcare and Medi-Cal, which is facing severe federal funding cuts from H.R. 1.
- It is highly progressive, taxing only the highest earners in California.
- The measure does not increase the current income tax rate, it maintains what has been in place since 2012.
- Any leftover capital-gains-driven revenue also helps pay down state debt and build the Rainy Day Fund, which is good for the financial health of the state and mitigates against the volatility of this funding source.
- There is no evidence that the tax has contributed to any significant tax flight out of the state.
- Because it is permanent, it facilitates greater predictability in State revenues.

Cons

- The state's reliance on taxing the highest income earners results in state budget volatility, which will continue under this measure.
- It is restrictive: it requires meeting the Prop 98 education minimum first before allowing flexibility in allocation. (The Medi-Cal allocation can be suspended in years where there is a declared budget emergency.)

SPUR’s Recommendation

SPUR recommends a YES vote on Proposition 3. The measure makes permanent the state's top marginal income tax rates on the top 2% of earners. It is not a new tax, but a continuation of rates in place since 2012 under Props 30 and 55, set to expire in 2030 that funds K-12/community college education, children's healthcare, and debt paydown. It would help backfill Medi-Cal funding just as federal cuts threaten healthcare access for millions of low-income Californians. Letting it lapse would force the state to backfill roughly $10 billion annually from elsewhere in the General Fund with no alternative plan in place.

Vote YES 

SPUR

NOVEMBER 3, 2026 ELECTION

The SPUR Voter Guide is here!

spurvoterguide.org



