



2024 California Propositions
Livermore Indivisible
October 13, 2024



2024 CA Propositions

- **Proposition 2 - Bonds for Public School and Community College Facilities**
- **Proposition 3 - Constitutional Right to Marriage**
- **Proposition 4 - Parks, Environment, Energy, and Water Bond Measure**
- **Proposition 5 - Lower Supermajority Requirement to 55% for Local Bond Measures to Fund Housing and Public Infrastructure**
- **Proposition 6 - Remove Involuntary Servitude as Punishment for Crime**

2024 CA Propositions cont.

- **Proposition 32 - \$18 Minimum Wage Initiative**
- **Proposition 33 - Prohibit State Limitations on Local Rent Control**
- **Proposition 34 - Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers**
- **Proposition 35 - Managed Care Organization Tax Authorization Initiative**
- **Proposition 36 - Drug and Theft Crime Penalties and Treatment-Mandated Felonies Initiative**

Proposition 2

Bonds for Public School and Community College Facilities

- **Yes** vote
 - **The state could borrow \$10 billion to build new or renovate existing public school and community college facilities.**
- **No** vote
 - **The state could not borrow \$10 billion to build new or renovate existing public school and community college facilities.**

Proposition 2 Background

- Thousands of California school buildings are in poor shape, with leaky roofs, broken air conditioning, peeling paint and other health and safety hazards.
- California does not pay for school repairs through a permanent funding stream. Money comes entirely from state and local bonds.
- Affluent school districts can raise more money for repairs through local bonds than smaller and lower-income districts.
- California voters last approved a bond measure to fund public education facilities in 2016.
- California voters defeated a bond measure, Proposition 13, to fund public education facilities in March 2020. The fund for repairs is very low.

Proposition 2 Key Points

- Authorizes \$10 billion in general obligation bonds for repair, upgrade, and construction of facilities at K–12 public schools (including charter schools), community colleges, and career technical education programs, including for improvement of health and safety conditions and classroom upgrades.
- Requires annual audits.
- Provides \$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.
- Approximately \$115 million would be set aside for removing lead from water, creating transitional kindergarten classrooms and building career and technical education facilities.

Proposition 2 Arguments

- **For**

- Many schools and community colleges are outdated and need basic health and safety repairs and upgrades to prepare students for college and careers and to retain and attract quality teachers.
- Prop. 2 meets those needs and requires strict taxpayer accountability so funds are spent as promised with local control. Requires annual audits.

- **Against**

- Proposition 2 will increase our bond obligations by \$10 billion, which will cost taxpayers an estimated \$18 billion when repaid with interest.
- A bond works like a government credit card—paying off that credit card requires the government to spend more of your tax dollars! Vote NO on Prop. 2.

Proposition 2

- **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, CA Statestrong
- A total of \$5.75 million has been invested in this ballot measure. This includes monetary and non-monetary contributions.

- **Opponents**

- Howard Jarvis Taxpayers Association
- There are no reported contributions in opposition to the measure.

Proposition 2 Fiscal Impact

- Increased state costs of about \$500 million annually for 35 years to repay the bond. (\$17.5 billion total)
- The Legislative Analyst's Office reported that California is repaying an estimated \$80 billion in bonded debt and is authorized to sell an outstanding \$35 billion in bonds.
- The state spends approximately \$6 billion from the General Fund (3% of the total fund) each year to repay bonds.

Proposition 2 - What it means for Livermore

- Livermore would need to pass a bond measure to receive a contribution from the state bond funds. We don't know what the proportion of matching funds would be.
- LVJUSD has a Facilities Master Plan to modernize and improve schools, the first phase of which was funded by Measure J in 2016. Phase 1 projects have been completed, but a further bond measure (Measure G) to fund Phase 2 projects failed to pass in 2022. Would Livermore voters be more willing to pass a bond measure if there were matching funds from the state? Or would they again reject an increase in local taxes? A great deal of voter education is necessary to make voters aware of the remaining needs the district is facing.

Proposition 2 Resources

<https://voterguide.sos.ca.gov/propositions/2/index.htm>

<https://calmatters.org/california-voter-guide-2024/propositions/prop-2-school-bond/>

<https://www.msn.com/en-us/news/other/prop-2-explained-what-california-s-10-billion-school-bond-measure-means-for-taxpayers/ar-AA1rXIPV?ocid=BingNewsSerp>

[https://ballotpedia.org/California Proposition 2, Public Education Facilities Bond Measure \(2020\)](https://ballotpedia.org/California_Proposition_2,_Public_Education_Facilities_Bond_Measure_(2020))

<https://www.livermoreschools.org/Page/9690>

<https://www.pleasantonweekly.com/news/2022/10/12/editorial-vote-yes-on-measure-g-livermores-450-million-school-bond/>

Proposition 3

Constitutional Right to Marriage. Legislative Constitutional Amendment

- **Yes vote**
 - **Language in the California Constitution would be updated to match who currently can marry. There would be no change in who can marry.**
- **No vote**
 - **Language in the California Constitution would not be changed. There would be no change in who can marry.**

Proposition 3 Background

- In 2008 Californians passed Proposition 8 which defined and recognized as valid only marriages between a man and a woman.
- Prop 8 was overturned by the state Supreme Court in 2010 .
- In 2015 the Federal Supreme Court legalized same-sex marriage nationally with the Obergefell v. Hodges decision.
- Nevertheless, Prop 8 is still in the California constitution.

Proposition 3 Key Points

- Put on ballot by the legislature.
- Formally repeals Proposition 8.
- Amends California Constitution to recognize fundamental right to marry, regardless of sex or race.
- Removes discriminatory language in the California Constitution stating that marriage is only between a man and a woman.

Proposition 3

Arguments

- **For**

- Supreme Court's current right-wing majority has indicated their interest in overturning Obergefell v. Hodges decision
- Ensures that marriage equality is protected in California even if the Supreme Court of the U.S. eventually overturns national legalization.
- Continues California's leadership in protecting civil rights and individual freedom.
- Nevada is the only state that has amended its state constitution to protect marriage equality.

- **Against**

- Alleges, removes all rules for marriage opening the door to polygamy, child marriage and incest
- Harms families and society

Proposition 3

Supporters/Opponents

- **Supporters**

- Many LGBTQIA+ and progressive groups: ACLU of California, Courage California, Human Rights Campaign, League of Women Voters California, Equality California and Reproductive Freedom for All California, Sierra Pacific Synod of The Evangelical Lutheran Church in America, Dolores Huerta Foundation, CA Statestrong
- \$4.1 million raised in support of Prop 3

- **Opponents**

- California Capitol Connection, a Baptist lobbying group and others: Jonathan Keller, California Family Council; Rev. Tanner DiBella
- Interestingly, less opposition from groups who worked tirelessly for Proposition 8: Church of Jesus Christ of Latter-day Saints, the Catholic Church and the San Diego branch of the Church of Scientology.
- No contributions reported against Prop 3.

- **Fiscal Impact**

- No change in revenues or costs for state and local governments.

Proposition 3

Resources

CA Secretary of State Voters Guide

<https://vig.cdn.sos.ca.gov/2024/general/pdf/complete-vig.pdf>

Cal Matters Voter Guide

<https://calmatters.org/california-voter-guide-2024/>

Progressive Voters Guide

<https://progressivevotersguide.com/california/2024/general/county/alameda/?ad=16th>

Blue Voter Guide

<https://bluevoterguide.org/view-ballot?bid20=202f638e83a4287ad20c521c7d7f537ba9>

Proposition 4

Parks, Environment, Energy, and Water Bond Measure

- **Yes** vote
 - **The state could borrow \$10 billion to fund various activities aimed at conserving natural resources and responding to the causes and effects of climate change. Requires 55% to pass.**
- **No** vote
 - **The state could not borrow \$10 billion to fund these activities.**

Proposition 4 Background

- State, federal and local governments pay for natural resources and climate activities.
- The state either pays up front with money it already has or by borrowing using bonds that are paid back over time.
- For the last decade, California spent about \$13 billion annually on natural resources and climate activities.
- About 15% of this amount has been from bonds.
- Nevertheless, California failed to adequately prepare for droughts and a changing climate.

Proposition 4 Key Points

- Put on ballot by Legislature
- Provides for safe drinking water by cleaning up and protecting water supplies and storage
- Prevents and mitigates wildfires and smoke
- Protects communities from extreme heat
- Improves clean energy infrastructure
- Protects forests, beaches, rivers and wildlife
- Saves billions by avoiding/reducing future disasters
- Requires 40% of bond money to be used for activities that directly benefit lower income communities or are more vulnerable to the impacts of climate change.

Proposition 4 Allocation of Funds

- Drought, Flood and Water Supply - \$3.8 billion
- Forest Health and Wildfire Prevention - \$1.5 billion
- Sea-level Rise and Coastal Areas - \$1.2 billion
- Land Conservation and Habitat Restoration - \$1.2 billion
- Energy Infrastructure - \$850 million
- Parks - \$700 million
- Extreme Heat \$450 million
- Farms and Agriculture- \$300 million

Proposition 4 Arguments

- **For:**

- Helps shift from disaster response to prevention.
- Proposes an urgent, proactive, commonsense investment to protect communities, health, economy and natural resources
- Requires annual independent audits

- **Against:**

- Bonds are an expensive way to fund government spending
- \$10 billion bond will cost taxpayers almost \$2 to repay for every dollar spent
- Water and wildfire mitigation are necessities and should be budgeted for not bonded. Mismanagement led to this crisis

Proposition 4

- **Supporters For:**

- Clean Water Action, CALFIRE Firefighters, National Wildlife Federation, The Nature Conservancy, League of Women Voters, ACLU of Northern California, Courage, CADem, CA Statestrong
- Almost \$700,000 raised in support

- **Opposition Against**

- Howard Jarvis Taxpayers Association, CAGOP
- No money raised in opposition

Proposition 4 Fiscal Impact

- About \$400 million annually for 40 years to repay the bond.
- Payments would be made from the state General Fund, the fund the state uses for most public services.
- This would be less than ½ of 1% of the state's total General Fund budget.
- Total cost of the bond would be about 10% more, adjusted for inflation than if the state paid up front with money it has.
- Could help local governments save money they would otherwise have to spend.
- Activities funded by this bond could reduce the risk or amount of damage from disasters and reduce state and local costs for responding and recovering from them.

Proposition 4

Resources

CA Secretary of State Voters Guide

<https://vig.cdn.sos.ca.gov/2024/general/pdf/complete-vig.pdf>

Cal Matters Voter Guide

<https://calmatters.org/california-voter-guide-2024/>

Progressive Voters Guide

<https://progressivevotersguide.com/california/2024/general/county/alameda/?ad=16th>

Blue Voter Guide

<https://bluevoterguide.org/view-ballot?bid20=202f638e83a4287ad20c521c7d7f537ba9>

Proposition 5

Lower Supermajority Requirement to 55% for Local Bond Measures to Fund Housing and Public Infrastructure

Yes vote

- **Certain local bonds and related property taxes could be approved with a 55 percent vote of the local electorate, rather than the current two-thirds approval requirement. These bonds would have to fund affordable housing, supportive housing, or public infrastructure.**

• No vote

- **Certain local bonds and related property taxes would continue to need approval by a two-thirds vote of the local electorate.**

Proposition 5 Background

- California makes it difficult for local governments to borrow money. Not only do most city and county bonds require voter approval, they need the support of at least two-thirds of those voting to pass.
- 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.
- Assemblymember Cecilia Aguiar-Curry, a Democrat from Winters, has been trying and failing to get some version of this on the ballot since 2017.
- After some changes in the original measure, the proposition now only covers bonds and also now includes a ban on local governments using the money to buy up existing single-family homes to convert them into affordable units.

Proposition 5 Key Points

- Allows local bonds for affordable housing for low- and middle-income Californians, or for public infrastructure including roads, water, and fire protection to be approved by 55% of voters, rather than current two-thirds approval requirement.
- Bonds must include specified accountability requirements, including citizens oversight committee and annual independent financial and performance audits.
- Allows local governments to assess property taxes above 1% to repay affordable housing and infrastructure bonds if approved by 55% of voters instead of current two-thirds approval requirement.

Proposition 5 Arguments For

- Prop. 5 gives local voters more control over funding for affordable housing and vital infrastructure projects
- We have a massive shortage of affordable housing for low- and middle-income Californians. Prop. 5 gives local communities more tools to make housing more affordable.
- In addition to affordable housing, Prop. 5 makes it easier for local voters who choose to invest in safety repairs and improvements to bridges, roads, public transportation, water systems, and other critical public infrastructure as they see fit.
- Prop. 5 does not raise taxes. It simply gives voters more power to address the unique needs of their communities without relying on the state, which has not met the challenges facing most California families.

Proposition 5 Arguments Against

- Changes the constitutional requirements that have existed for 145 years by reducing the voter approval requirements to pass bonds.
- California already has more debt than any other state, with more than \$500 billion in state and local debt; Prop. 5 puts taxpayers on the hook for even more—saddling future generations with the bill!
- Bonds are not free money. Bonds have to be paid back—with interest—and TAXPAYERS PAY those costs through higher property taxes.
- Allows politicians to cover up their mess by shifting the costs for state programs to local taxpayers.
- By making Prop. 5 retroactive, politicians hope to saddle taxpayers with billions in new taxes and debt immediately.
- Makes everything more expensive when Californians can least afford it.

Proposition 5

- 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, CA Statestrong
- Opponents
 - California Association of Realtors, California Chamber of Commerce, California Taxpayer Association, Howard Jarvis Taxpayers Association, National Federation of Independent Businesses, California Republican Party, Catalyst For Local Control

Proposition 5

Fiscal Impact

- Increased local borrowing to fund affordable housing, supportive housing, and public infrastructure.
- The amount of increased borrowing would depend on decisions by local governments and voters.
- Borrowed funds would be repaid with higher property taxes.

Resources

- <https://voterguide.sos.ca.gov/propositions/5/arguments-rebuttals.htm>
- [https://ballotpedia.org/California Proposition 5, Lower Supermajority Requirement to 55%25 for Local Bond Measures to Fund Housing and Public Infrastructure Amendment \(2024\)](https://ballotpedia.org/California_Proposition_5,_Lower_Supermajority_Requirement_to_55%25_for_Local_Bond_Measures_to_Fund_Housing_and_Public_Infrastructure_Amendment_(2024))
- <https://calmatters.org/california-voter-guide-2024/propositions/prop-5-vote-threshold/>

Proposition 6

Eliminates Constitutional Provision Allowing Involuntary Servitude for Incarcerated Persons

- **Yes** vote
 - **The CA Constitution would be amended to prohibit the state from punishing inmates with involuntary work assignments and from disciplining those who refuse to work.**
- **No** vote
 - **The CA Constitution would not be amended and involuntary servitude would continue to be allowed as punishment for a crime.**

Proposition 6

- **Background**

- The California Constitution bans involuntary servitude except as punishment for a crime, but does not define involuntary servitude.

- **Key Points**

- Prop 6 would ban involuntary servitude as punishment for a crime and bans state prisons from disciplining people who refuse to work.
- Why is it on the ballot? Legislative Constitutional Amendment.

Proposition 6 Arguments

- **For**

- A number of other states have adopted similar measures.
- Inmates have faced retaliation for turning down jobs that can be dangerous, life threatening and/or contribute nothing to future skills or rehabilitation.
- Inmates have also been punished for missing work to attend classes, meetings (such as AA), etc.

- **Against**

- None

Proposition 6

- **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, California Professional Firefighters, CA Statestrong

- **Opponents**

- Howard Jarvis Taxpayers Association, California Republican Party

Proposition 6

- **Fiscal Impact**

- Uncertain, but less than 1/2 of 1% of the state's total General Fund budget.

Sources

CA Voters Guide

ACLU

Cal Matters

<https://antirecidivism.org/>

Proposition 32

\$18 Minimum Wage Initiative

- **Yes vote**
 - **Supports increasing the state minimum wage to \$18 per hour by 2026 for all employers and thereafter adjusting the rate annually by increases to the cost of living.**
- **No vote**
 - **Maintains the existing law that was designed to increase the minimum wage to \$15 per hour for all employers by January 2023 and increasing it annually according to inflation. By 2026 the minimum wage would be about \$17.**

Proposition 32 Background

- Senate Bill 3 (SB3) was passed and signed by Gov Brown in 2016 increasing the state's minimum wage to \$15 an hour for all employees by January 2023.
- Thereafter, SB 3 allows increases based on US Consumer Price Index.
- 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 include a small inflationary adjustment.
- MIT Living Wage Calculator estimates a single adult/0 children requires
 - Modoc County \$20.32
 - Statewide Average \$27.32

Proposition 32 Key Points

- Large businesses
 - Raise the minimum wage to \$17 by the end of 2024
 - Required to pay at least \$18 by January 2025.
- Small businesses with 25 or fewer employees
 - \$17 starting January 2025
 - \$18 in 2026.
- Starting in 2027, the minimum wage would be adjusted based on inflation, as SB3 already does.
- If adopted, CA would have the highest minimum wage.
- Funded by Joe Sandberg, wealthy start-up-investor, at \$10 million.

Proposition 32 – Arguments

- **For**

- Provide a raise to 2 million workers
- Money would help families afford basic needs, be spent at local businesses, and help reduce low-income Californians' use of taxpayer-provided benefits.
- UC Berkeley studies found California's gradual increase to \$15 had "no significant" effect on job losses.

- **Against**

- Employers already face increased supply and labor costs from inflation.
- Market not the state should drive wages.
- State government, 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. Private employers should get the same benefit

Proposition 32

Supporters/Opponents

- **For**

- **Organizations:** California Democratic Party, California Labor Federation, California Teacher's Association, Unite Here, One Fair Wage, Working Families Party California, League of Women Voters of CA, ACLU of Southern CA, CA Statestrong
- **Media:** Mercury News/East Bay Times, San Francisco Chronicle, Los Angeles Times

- **Against**

- **Organizations:** CA Chamber of Commerce, CA Restaurant Association. CA Grocers Association, National Federation of Independent Business, CA Republican Party, Howard Jarvis Taxpayers Association
- **Media:** Pasadena Star News, Bakersfield Californian

Proposition 32 Fiscal Impact

- **Could have a wide range of economic effects***
 - Wages increase
 - Likely higher costs – increase estimated to be ½ of 1 percent
 - Likely lower profits
- **State and local government costs could increase or decrease by up to hundreds of millions of dollars annually.**
 - Higher government costs to pay for workers both employees and contractors.
 - Savings from lower enrollment in Health and Human Services Programs.

*** CA Legislature Analyst Office**

Proposition 32 Resources

- [Raising the State Minimum Wage to \\$18 an hour- Cal Matters](#)
- [Proposition 32 Legislative Analyst's Office](#)
- [Proposition 32 Ballotpedia](#)

Proposition 33

Prohibit State Limitations on Local Rent Control

- **Yes** vote
 - **State law *would not* limit the kinds of rent control laws cities and counties could have.**
- **No** vote
 - **State law *would continue* to limit the kinds of rent control laws cities and counties could have.**

Proposition 33 Background

- “Justice for Renters Act” (rent control) - sound familiar?
- Who are its primary sponsors AIDS Healthcare Foundation (AHF) and its director Michael Weinstein?
 - AHF is LA-based nonprofit
 - Has nearly 500 clinics/healthcare centers/pharmacies worldwide
 - Participates in Medi-Cal/Medicare drug discount program known as 340B
 - Also owns about 15 apartments/rental properties in LA (per LA Times, “squalid” conditions)
 - Between just 2015 and 2020, has contributed over \$110M to ballot measure campaigns

Proposition 33 Key Points

- Rent control: some cities (e.g., SF, SJ and LA) limit how much a landlord can raise rent each year.
- But Costa-Hawkins Rental Housing Act of 1995 places limits on these limits.
 - No rent control on single-family homes, or on apartments built after 1995
 - Landlords free to set rental rate with new tenants
- Prop 33 - “just 23 words”
- “This state may not limit the right of any city, county or city and county to maintain, enact, or expand residential rent control.”

Proposition 33 Arguments For

- “Rent is too damn high.”
- Allow local government to enact and expand rent control because one size doesn’t fit all.
- Housing crisis is complicated and we need to build more affordable housing, but in the meantime we need to at least start with keeping people in their homes.
- Rent control has been an American tradition since 1919 and works well in many cities.
- CA Constitution (and court rulings) already guarantee a reasonable rate of return to landlords.

[Yes on 33 - Yes on 33](#)

Proposition 33 Arguments Against

- Rejected by voters in 2018 and 2020
- Could overturn over 100 state housing laws, including laws that make it easier to build affordable housing and eviction laws, without any protection for renters.
- Stanford and Berkeley economists say it will make housing crisis worse, and MIT researchers say home values will be reduced by 25%
- Single-family homeowners could be treated same as corporate landlords.

[Facts - No on 33 \(noonprop33.com\)](https://noonprop33.com)

Proposition 33

- **Supporters**

- AIDS Healthcare Foundation, California Democratic Party, Veterans' Voices, California Nurses Association, CA Alliance for Retired Americans, Housing Is a Human Right, Tenants Together, ACLU of Southern California, CA Statestrong

- **Opponents**

- California Small Business Association, California Rental Housing Association, California YIMBY, California Chamber of Commerce, California Republican Party, California State Senate President Pro Tempore Toni Atkins, California State Assemblymember Buffy Wicks, Howard Jarvis Taxpayers Association
- **Media** - LA Daily News, SF Chronicle, Mercury News/East Bay Times, Sacramento Bee

Proposition 33 Fiscal Impact and Resources

Fiscal Impact: Depends on what local governments do but most likely

1. rent control tenants would pay less, while other tenants would pay more,
2. renters would move less often,
3. fewer homes available to rent,
4. rental housing values would decline,
5. reduced property tax revenues, and
6. increased local government costs.

Resources:

[Proposition 33 | Official Voter Information Guide | California Secretary of State](#)

[California Proposition 33: Rent control \(calmatters.org\)](#)

[California Proposition 33, Prohibit State Limitations on Local Rent Control Initiative \(2024\) - Ballotpedia](#)

Proposition 34

Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers

- **Yes** vote
 - **Healthcare entities meeting specific requirements would have to follow new rules about how they spend revenue from federal drug discount program.**
- **No** vote
 - **These new rules would not go into effect.**

Proposition 34 Background

- Medi-Cal/Medicare drug discount program known as 340B - discount on pharmaceuticals, with the profits presumably to be used to expand healthcare services to disadvantaged groups.
- Why is Prop 34 on the ballot? [CalMatters](#): “The short answer is that a lot of politicians and housing interest groups really don’t like Michael Weinstein.”

Proposition 34 Key Points

- Would require certain healthcare providers to spend 98% of revenues from federal discount prescription drug program on direct patient care.
- ONLY applies to healthcare provider that:
 1. Participates in the federal drug discount program;
 2. Has license in CA to operate health plan, pharmacy or clinic;
 3. Has spent over \$100M in any 10-year period on anything other than direct patient care, and
 4. Owns or operates multifamily housing reported to have 500 or more high-severity health and safety violations.

Proposition 34 Key Points (cont)

- Review of AIDS Healthcare Foundation (AHF):
 - AHF is LA-based nonprofit
 - **Has nearly 500 clinics/healthcare centers/pharmacies in CA** and worldwide
 - **Participates in Medi-Cal/Medicare drug discount program known as 340B**
 - **Also owns about 15 apartments/rental properties in LA (per LA Times, “squalid” conditions)**
 - **Between just 2015 and 2020, has contributed over \$110M to ballot measure campaigns**
- Penalties for noncompliance.
- Permanently authorizes state to negotiate Medi-Cal drug prices on statewide basis (Medi-Cal Rx).

Proposition 34 Arguments

- **For**

- Would enact Medi-Cal Rx into law
- Protect patients and ensure public healthcare dollars actually go to patients who need it.
- Will close a loophole and provide need transparency and rein in abuse.

- **Against**

- “The Revenge Initiative” - only applies to AHF
- “100% of the funds” from 340B come from discounted prices that come out of the pockets of drug companies
- Medi-Cal Rx is already being implemented.

Proposition 34

- **Supporters**

- California Apartment Association, ALS Association, Howard Jarvis Taxpayers Association, California Chamber of Commerce, California Republican Party
- **Media:** Southern California News Group

- **Opponents**

- AIDS Healthcare Foundation, Housing Is a Human Right, League of Women Voters of California, Consumer Watchdog, CA Statestrong
- **Media:** San Francisco Chronicle, Mercury News/East Bay Times, San Diego Union-Tribune, Los Angeles Times

Proposition 34 Fiscal Impact and Resources

Fiscal Impact:

- Limited statewide fiscal effects

Resources:

[November 5, 2024, General Election Voter Information Guide \(ca.gov\)](#)

[California Proposition 34: Patient healthcare spending \(calmatters.org\)](#)

[California Proposition 34, Require Certain Participants in Medi-Cal Rx Program to Spend 98% of Revenues on Patient Care Initiative \(2024\) - Ballotpedia](#)

Proposition 35

Makes permanent the existing temporary tax on managed health care insurance plans, which if approved by the federal government, provides revenues to pay for a significant part of the cost of providing Medi-Cal services.

- **Yes vote**

- **The current taxes paid by health plan providers and used by the state to help cover the cost of providing Medi-Cal services would be modified and made permanent. The net result should generate about \$2 billion more per year for this purpose according to the measure's proponents.**

- **No vote**

- **Unless the legislature acts to extend the current tax on MCOs, the current tax would expire in 2026 potentially reducing the funds used to help pay for Medi-Cal patients by up to 7-8 billion dollars per year.**

Proposition 35 Background

- In 2023, California re-imposed a 3-year temporary tax on certain health plans (Managed Care Organizations aka MCOs) based on the number of members they serve. The tax is set to expire in 2026. Prop 35 makes the tax permanent and creates new rules on how the money is to be spent.
- Why is Prop 35 on the ballot? A coalition of healthcare providers including hospitals, doctors, medical transport companies, and others want to require the state to pay higher fees for providing services to Medi-Cal patients. They have dubbed the proposition the “Protect Access to Healthcare” initiative.

Proposition 35 Key Points

- Health care professionals have long complained about the very low payments for services provided to Medi-Cal patients which have been capped far below what non-Medi-Cal patients pay. As a result, some health care professionals now refuse to see Medi-Cal patients.
- By making the health care provider tax permanent and requiring nearly all of those tax revenues to be used for fee increases and expanded areas of coverage for Medi-Cal patients, Prop 35 backers would be paid more.
- Interesting fact, both the CA Democratic Party and Republican Party back Prop 35!

Proposition 35 Key Points (cont)

- The Federal government provides significant funding to help cover Medi-Cal expenses, and must approve CA legislation and tax plans that impact Medi-Cal.
- Prop 35 will mandate which medical services get funding increases and which will no longer be covered including eliminating mandatory coverage for children aged 0-5 years old.
- If implemented, Prop 35 will reduce money that can be used for Medi-Cal admin costs or be added to state's General Fund, requiring nearly all taxes collected to go to patient care.

Proposition 35 Arguments For

- If the current law expires, costs to the state will rise for providing Medi-Cal services, since major health plans will no longer be chipping in to help cover the costs.
- Making the law permanent helps to ensure that the funds will be available to cover increasing costs for Medi-Cal services.
- Avoids having to get legislature to approve temporary tax every three years in the future

Proposition 35 Arguments Against

- Although no argument against Prop 35 was submitted to the Secretary of State, Ballotpedia reported that the editors of the *SF Chronicle* and *SJ Mercury News* urged a “No” vote on 35.
- They argue that the fiscal impacts were not fully known and might result in unintentional problems.
- *The Chronicle* stated that rather than using a ballot measure to address the issue, legislators should develop new legislation to offer a better solution.
- *The Mercury News* said “the winners in this special-interest funding measure would include the doctors, hospitals and emergency ambulance providers bankrolling the initiative.”

Proposition 35 Arguments Against (cont)

- The Voter Guide also states that the Federal government must approve the tax and will determine how much it will continue to pay into Medi-Cal if the new law passes. It says “the proposition’s long term effects of tax revenue, health program funding, and state costs are unknown.”
- The CA League of Women Voters oppose Prop 35
- The Children’s Partnership, an alliance of health care providers focused on creating equitable health care oppose Prop 35
- Governor Newsom has also expressed concerns that Prop 35 will limit the state’s future financial flexibility

Proposition 35

- **Supporters**

- The Coalition to Provide Access to Care - a loose association of healthcare providers including the California Medical Association, CA Hospital Association, EMTs and Paramedic Assn., Assoc. of Dentists, Pediatricians, OB/GYNs, Planned Parenthood, and more.
- They have raised more than \$45 million to support the measure running appeal ads on TV and radio featuring health care workers asking for support

- **Opponents**

- The California Pan Ethnic Health Network (CPEHN), [The Children's Partnership](#), the California Alliance of Retired Americans (CARA), Courage California, CA Statestrong, and the League of Women Voters of California all oppose the measure

Proposition 35 Fiscal Impact and Sources

Fiscal Impact

- No change to state tax revenue at present time;
- Boosts funding for Medi-Cal and other health programs by requiring the state to spend more health plan tax revenue for funding increases.
- Increases state administrative costs by 1-2 billion annually as Prop 35 requires nearly all the health plan tax revenues to be used to pay for Medi-Cal patient care.
- Longer term impacts are unknown and may affect future Federal funding for Medi-Cal

SOURCES

[CA Secretary of State Voter Guide to Propositions](#)

[CA League of Women Voters Ballot Recommendations](#)

[Ballotpedia CA Prop 35 Information](#)

[Children's Partnership News Release Opposing Prop 35](#)

<https://calmatters.org/health/2024/10/prop-35-health-insurance-tax/>

Proposition 36

Drug and Theft Crime Penalties and Treatment-Mandated Felonies Initiative

- **Yes** vote
 - **Will reclassify some misdemeanor theft and drug crimes as felonies and create a new category of crime - a "treatment mandated felony."**
- **No** vote
 - **Punishment for drug and theft crimes will remain the same.**

Proposition 36 Background

- Felonies are the most serious type of crime, punishable by sentencing to county jail, state prison, or, in some cases, supervision by a county probation officer for some or all of the sentence. Generally the length of the sentence depends on the seriousness and details of the crime. Sentences can range up to 15 years or more.
- Misdemeanors are less serious crimes, punishable by county jail, community supervision or a fine. Sentences can be up to a year in jail.
- In 2014, voters approved Proposition 47, which reduced some theft and drug crimes from felonies to misdemeanors, partially as a response to California's overcrowded prison system.
- During the pandemic, rates of shoplifting and commercial burglaries skyrocketed, especially in large cities. Prosecutors, police, and large retailers have blamed Prop 47 for the increase.

Proposition 36 Key Points

- Placed on the ballot by petition signatures.
- Proposition 36 increases punishment for some drug and theft crimes. Turns some misdemeanors into felonies and lengthens some felony sentences. Requires some felonies to be served in prison.
- Creates a new treatment focused court process for some drug possession crimes. Some drug possession cases can be charged with a “treatment-mandated felony,” instead of a misdemeanor. These people would receive treatment (mental health or drug treatment). If they finish the treatment, charges are dismissed. If they don’t finish treatment, they can serve up to three years in state prison.
- Requires warning of possible murder charges for selling or providing drugs. Warning could be given to those convicted of selling or providing certain dangerous drugs, making it more likely that they could be convicted of murder if they later sell or provide illegal drugs to someone who dies.

Proposition 36 Arguments

- **For (14.7M raised)**

- Tougher laws will make our communities safer and hold repeat criminals accountable.
- Combats homelessness by increasing penalties for drug possession, pushing people into treatment and off the street.

- **Against (4.6M raised)**

- No studies support the idea that harsher punishment or the threat of harsher punishment prevents crime or homelessness.
- Will hundreds of millions of dollars in court and prison costs without proof of success while reducing funds for schools, healthcare, treatment programs, etc.
- Will return to War on Drugs which Californians rejected with Prop. 47.

Proposition 36

- **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

- **Against**

- Gov. Gavin Newsom, Alliance for Safety and Justice, ACLU of Northern California, California Democratic Party, League of Women Voters of California, CA Statestrong

- **Fiscal Impact**

- Will increase State Criminal Justice costs - increase in state prison population and increase in state court workload.
- Will increase Local Criminal Justice costs - increase in county jail and community service population and increase in local court-related workload

Proposition 36 Resources

CA Voters Guide

ACLU

Cal Matters

<https://www.stopprop36.com/>

<https://voteyesprop36.com>

Additional Proposition Resources

[Blue Voter Guide](#)

Video of presentation and slides will be on our website.

<https://livermoreindivisible.org/>