



# PROS & CONS

Press Date: September 4, 2024

The League of Women Voters of California Education Fund (LWVCEF), a 501(c)(3) nonpartisan organization, encourages informed and active participation in government and works to increase understanding of major public policy issues. The LWVCEF does not support or oppose candidates or political parties.

The *Pros & Cons* is a nonpartisan explanation of state propositions, with supporting and opposing arguments. The arguments come from many sources and are not limited to those presented in the *Official Voter Information Guide*.

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This publication is available online at [CAvotes.org](http://CAvotes.org).

## League of Women Voters of California Education Fund

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## General Election • November 5, 2024

In this general election, California voters will vote for President; U.S. Senator; Representatives in U.S. Congress and the California State Legislature; and other candidates and proposed laws depending on where you live.

California voters will also decide on 10 state propositions that are explained in this *Pros & Cons*. Propositions 2, 3, 4, 5, and 6 were placed on the ballot by the State Legislature. Propositions 32, 33, 34, 35, and 36 have been placed on the ballot by people who collected enough signatures.

Visit [Vote411.org](http://Vote411.org) to see everything on your ballot, find your polling place, and get unbiased information on all your voting choices.

## How to Evaluate Ballot Propositions

- ★ Examine what the measure seeks to accomplish. Do you agree with those goals?
- ★ Is the measure consistent with your ideas about government? Do you think the proposed changes will make things better?
- ★ Who are the real sponsors and opponents of the measure? Check where the money is coming from on [Power Search](#).
- ★ Is the measure written well? Will it create conflicts in law that may require court resolution or interpretation? Is it “good government,” or will it cause more problems than it will resolve?
- ★ Does the measure create its own revenue source? Does it earmark, restrict, or obligate government revenues? If so, weigh the benefit of securing funding for this measure against the cost of reducing overall flexibility in the budget.
- ★ Does the measure mandate a government program or service without addressing how it will be funded?
- ★ Does the measure deal with one issue that can be easily decided by a YES or NO vote? Or, is it a complex issue that should be thoroughly examined in the legislative arena?
- ★ If the measure amends the Constitution, consider whether it really belongs in the Constitution. Would a statute accomplish the same purpose? All constitutional amendments require voter approval; what we put into the Constitution would have to come back to the ballot to be changed.
- ★ Be wary of distortion tactics and commercials that rely on image but tell nothing of substance about the measure. Beware of half truths.

## Authorizes Bonds for Public School and Community College Facilities

**THE QUESTION:** Should the state authorize \$10 billion in bonds to build new, or renovate existing, public school and community college facilities?

### THE SITUATION

The Legislature placed Proposition 2 on the ballot.

California has approximately 10,000 public schools and 115 community colleges. Many schools and community colleges have older, outdated facilities. Many need health and safety repairs, renovations, and new classrooms. According to a 2020 publication from the [Public Policy Institute of California](#), 38% of California students attend schools that don't meet minimum facility standards. This includes 25% of students attending schools with damaged floors, walls, or ceilings, and 14% attending schools with malfunctioning electrical systems. 15% of students attend schools with extreme deficiencies, such as gas leaks, power failures, and structural damage. The state and the school districts usually share the cost for renovation and new construction almost equally. The state uses voter-approved bonds for its share of these costs.

### THE PROPOSAL

If passed, Proposition 2 would authorize \$10 billion in state general obligation funds for repair, upgrade, and construction of facilities at K-12 public schools (including charter schools) and community colleges. Of that amount the bonds would be allocated in the following way:

- \$8.5 billion (or 85% of total bond amount) for public schools, including charter schools.
- \$1.5 billion (or 15% of total bond amount) for community colleges.
- A small portion of new construction and renovation funds must be set aside for small school districts.
- Up to \$115 million to be used to reduce lead levels in water at public school sites.
- The state would pay a higher share of project costs for school districts with lower assessed property values and have a higher share of students who are low-income, English learners, or foster youth.

### FISCAL EFFECTS

The state's estimated cost to repay this bond would be about \$500 million each year for 35 years. The effect on local governments would depend on the choices that school districts and community colleges make about building repairs and new buildings.

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*Continued from Previous Page*

### SUPPORTERS SAY

- Provides funding for outdated facilities needing repairs and upgrades to meet basic health safety standards.
- Provides strict taxpayer accountability protections.
- Protects local control. Funding can only be used for projects approved by local school and community college districts, with local community input.

### OPPONENTS SAY

- California already has over \$109 billion of outstanding and unissued bonds.
- Sacramento politicians overspend, issue bonds, and punish us with tax hikes.
- Tell politicians to prioritize education funding over free healthcare for illegal immigrants in our state budget.

### FOR MORE INFORMATION

#### Supporters:

Yes on Prop 2

[yesprop2ca.com](https://www.yesprop2ca.com)

#### Opponents:

Assemblyman Bill Essayli,  
California State Legislature

At press time there is no organized campaign website.

## Constitutional Right to Marriage

**THE QUESTION:** Should the California Constitution be amended to define marriage as a fundamental right for all regardless of sex or race and remove language that states that marriage is only between a man and a woman?

### THE SITUATION

The California Constitution contains an outdated and unenforceable provision stating “Only marriage between a man and a woman is valid or recognized in California.” The language was inserted as a result of the passage of Proposition 8 in 2008. After federal court decisions holding that the provision was unconstitutional under the 14th Amendment of the U.S. Constitution, California has recognized same-sex marriage. In 2015 the U.S. Supreme Court held that states must allow and recognize same-sex marriage.

### THE PROPOSAL

Prop 3 would repeal the outdated language and amend the state Constitution to provide that the right to marry is a fundamental right, and this fundamental right is in furtherance of the rights to enjoy life, liberty, safety, happiness and privacy, and the rights to due process and equal protection. These amendments would protect both same-sex and interracial marriages.

The legislature placed this measure on the ballot to bring the California Constitution in line with existing law that gives same-sex couples the right to marry, as set forth by the U.S. Supreme Court in *Obergefell v Hodges* and the federal Respect for Marriage Act. By placing the freedom to marry in the California Constitution, the state would provide protections in the event that there is a rollback on protections currently afforded at the federal level.

### FISCAL EFFECTS

No changes in revenues or costs are estimated for state or local governments.

### SUPPORTERS SAY

- Prop 3 proactively protects against future attempts to restrict marriage rights for same-sex or interracial couples.
- The amendment aligns the state Constitution with the law as it is today and reaffirms the freedom to marry as a fundamental right.
- The amendment does not change any laws regarding age requirements, the number of people in a marriage, or existing rights of clergy to refuse to perform a marriage.

### OPPONENTS SAY

- Because same-sex marriage is already legal, the amendment fixes a problem that does not exist.
- The amendment’s language is unclear and eliminates all rules for marriage.
- Without safeguards such as age, genetic relationship and the number of participants, the amendment opens the door to child marriage, incest and polygamy.

### FOR MORE INFORMATION

#### Supporters:

Freedom to Marry  
[yesonprop3ca.com](http://yesonprop3ca.com)

#### Opponents:

California Family Council  
[californiafamily.org/proposition3](http://californiafamily.org/proposition3)

## Authorizes Bonds for Safe Drinking Water, Wildfire Prevention, and Protecting Communities and Natural Lands from Climate Risks

**THE QUESTION:** Should voters let the state sell \$10 billion in bonds for various projects to reduce climate risks and impacts?

### THE SITUATION

Destructive forest fires, droughts and floods are becoming more common in California. Climate change is impacting farming, water quality, and wildlife. Many people don't have access to safe drinking water. At the same time, a recent budget deficit led to \$9 billion in cuts from programs meant to reduce pollution and greenhouse gas. According to [California's 4th Climate Assessment](#) (Table 6) the cost of climate change for California could be more than \$113 billion annually by 2050 (mostly from human mortality). Climate change affects all Californians, with most impacts hitting those least able to afford countermeasures.

### THE PROPOSAL

Prop 4 would let the state issue \$10 billion in general obligation bonds. The proceeds of the sale of bonds would be allocated as follows:

- **\$3.8 Billion for Water.** To protect and increase state water supply and water quality, reduce flood risk and improve stormwater management, and protect and restore rivers, lakes and streams.
- **\$1.5 Billion for Wildfires and Forests.** To improve local fire prevention capacity, improve forest health and resilience, and reduce the risk of wildfire spread.
- **\$1.2 Billion for Coastal Resilience.** For coastal and flood management primarily associated with sea-level rise.
- **\$1.2 Billion for Biodiversity Protection.** For grant programs for fish and wildlife, including tribal nature-based climate solutions.

- **\$850 Million for Clean Air.** For offshore wind and expansion of port infrastructure, and projects to support clean energy transmission.
- **\$700 Million for Parks.** For state and neighborhood park creation, expansion, renovation, and maintenance.
- **\$450 Million for Extreme Heat Mitigation.** For grants for urban greening and community resilience centers for cooling and benefits during a disaster.
- **\$300 Million for Agricultural Lands.** To improve the climate resilience and sustainability of agricultural lands, including a series of programs benefiting low-income and historically marginalized groups.

Some funding would be used to offset budget cuts. Most funding would create loans and grants for:

- Local governments
- Native American tribes
- Non-profit groups
- Businesses
- State-run agencies

Forty percent of funding must go to activities that will help lower-income communities or communities hit the hardest by environmental changes and disasters.

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### FISCAL EFFECTS

The Legislative Analysts' Office estimates paying back the bond loan would cost the state \$400 million a year for 40 years. However, the bonds would fund projects that reduce future risk and the costs of damage from disasters.

### SUPPORTERS SAY

- California faces growing threats from wildfires, water pollution, extreme heat, and other disasters. The right investments now could help prevent future damage and costs.
- California is already paying a price for failing to prepare for drought and climate change. Prop 4 helps us shift from disaster response to disaster prevention.
- Prop 4 makes efficient, sensible investments in proven solutions

### OPPONENTS SAY

- The goals identified in Prop 4 should be funded within our current state budget. Taxpayers should not be asked for \$10 billion more in the form of a bond that will cost nearly double to repay.
- Prop 4 provides funding for unproven technologies with no real evidence of success.
- Prop 4 lacks fiscal accountability and specific standards for measuring success.

### FOR MORE INFORMATION

#### Supporters:

Californians for Safe Drinking Water and Wildfire Prevention  
[yesonprop4ca.com](https://yesonprop4ca.com)

#### Opponents:

Howard Jarvis Taxpayers Association  
[hjta.org/hjta-ballot-measure-recommendations](https://hjta.org/hjta-ballot-measure-recommendations)

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

**THE QUESTION:** Shall local bond measures to fund housing bonds for low- and middle-income Californians and public infrastructure projects be allowed to pass with 55% voter approval instead of the 66.7% approval currently required?

### THE SITUATION

Bonds are a form of long-term borrowing used by cities, counties and special districts. Bond holders are repaid with interest and the repayment funds come from increased property taxes. Local bond measures currently require approval of two-thirds of voters. The state of California is in critical need of more affordable housing. A typical house here costs around twice the national average and rents are about 50% higher than in other states. Upgrades to outdated local infrastructure like roads, hospitals, fire stations and water treatment facilities are also needed.

### THE PROPOSAL

Prop 5 would:

- Lower the voting requirement so that some types of local bond measures could pass with 55% of the vote instead of two-thirds of the vote. This lower voting requirement applies to housing program bonds for low-income families, seniors, people with disabilities, veterans, and other groups. It could also be used to improve infrastructure for police, flood and fire protection, libraries, public health, and public transit.
- Require those bonds to adhere to specific accountability provisions such as citizen oversight committees and annual independent audits.
- Apply to any qualifying local bond measure passed in the November 2024 election.

### FISCAL EFFECTS

The Legislative Analyst believes that if Prop 5 were to pass it would likely mean that more local bond measures would pass, resulting in increased funding for housing assistance and public infrastructure. The amount of increase could be at least a couple billion dollars over the life of the bonds and would vary across local governments. If more bonds were approved then local governments would have more costs, which would be paid with higher property taxes. The impact on California's state budget is uncertain. There are possible long term state savings if local governments take greater responsibility for affordable housing.

### SUPPORTERS SAY

- Prop 5 gives local voters more autonomy to address the unique housing and infrastructure needs in their own communities.
- Prop 5 does not raise taxes.
- Qualifying bond measures would have strict accountability provisions, ensuring the funds are appropriately spent in the jurisdiction that approved them.

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### OPPONENTS SAY

- Prop 5 was written by politicians to push the cost of infrastructure onto local governments which increases debt.
- Californians already struggle with the highest cost of living in the nation and Prop 5 would make everything more expensive.
- Prop 5 removes protections that California Constitution has provided taxpayers for many years.

### FOR MORE INFORMATION

#### Supporters:

YES on Prop 5

[yesonprop5.org](https://yesonprop5.org)

#### Opponents:

Protect Local Taxpayers

[VoteNoProp5.com](https://VoteNoProp5.com)



## Eliminates Constitutional Provision Allowing Involuntary Servitude for Incarcerated Persons

**THE QUESTION:** Should the California Constitution be amended to: (1) remove the provision that allows involuntary servitude to be used as punishment for a crime; (2) prohibit incarcerated people from being punished for refusing a work assignment; and (3) allow incarcerated people to voluntarily accept work assignments in exchange for credit to reduce their sentences?

### THE SITUATION

California's Constitution mirrors the 13th Amendment of the U.S. Constitution, which allows for involuntary servitude as [punishment for crimes](#).

Although no courts explicitly order forced labor as a part of criminal sentencing, it is standard practice to force incarcerated people to perform labor. California is among 16 states with an exception clause for involuntary servitude in its state constitution. Most recently, voters in Alabama, Oregon, Tennessee, and Vermont removed involuntary servitude language from their state constitutions.

More than 94,000 Californians are currently in state prison. Black people are disproportionately represented in the prison population - accounting for 28% despite making up less than 6% of California's overall population.

### THE PROPOSAL

Proposition 6 would amend the California Constitution to end mandatory work assignments for state prisoners. It would make employment voluntary for incarcerated people and would protect them from being disciplined for refusing a work assignment. It would authorize credits for incarcerated people who voluntarily participate in work assignments.

### FISCAL EFFECTS

Fiscal effects are uncertain. Proposition 6 doesn't mandate wages and a related law,

that will go into effect if Prop 6 passes, explicitly exempts California Department of Corrections and Rehabilitation (CDCR) from minimum wage laws. It also specifies that the compensation for work assignments will be set through regulations. The costs will also depend on whether courts require prisoners to be paid minimum wage for their work. Any potential increase or decrease in state and local criminal justice costs likely would not exceed the tens of millions of dollars each year (annually).

### SUPPORTERS SAY

- Involuntary servitude is an extension of slavery. There's no room for slavery in our constitution, which should reflect our values in 2024.
- Proposition 6 prioritizes rehabilitation for incarcerated people by allowing them to choose work assignments that enable participation in programs that facilitate personal growth and transformation.
- Proposition 6 was placed on the ballot by California state lawmakers with bipartisan support.

### OPPONENTS SAY

There are no official opponents

### FOR MORE INFORMATION

#### Supporters:

Yes on Prop 6

[voteyesoncaprop6.com](http://voteyesoncaprop6.com)

#### Opponents:

There are no official opponents

## Raises Minimum Wage

**THE QUESTION:** Should California raise its statewide minimum wage to \$18 an hour by January 1, 2026, and then each year based on inflation?

### THE SITUATION

California's statewide minimum wage is now \$16 an hour, with yearly increases based on inflation. Yearly increases range from \$0 if the inflation rate is zero or less, to 3.5% if inflation is 3.5% or more.

Some California workers already have minimum wages higher than \$16 an hour and higher than the proposed rate (\$18 per hour) in Prop 32. These include fast-food workers, healthcare workers, and workers in California cities with their own minimum wage laws.

### THE PROPOSAL

Prop 32 would increase California's current statewide \$16 an hour minimum wage each year until it reaches \$18 an hour by January 1, 2026. Minimum wage for employers with 26 or more employees would increase to \$18 an hour in 2025. Employers with 25 or fewer employees would move to \$17 an hour in 2025, and \$18 an hour in 2026. Prop 32 would not change industry specific or local minimum wages.

Inflation adjustments would pause temporarily while the minimum wage is increased in 2025 and 2026. In 2027, yearly increases to minimum wage would resume based on inflation.

### FISCAL EFFECTS

Proposition 32 could have a wide range of economic effects:

- Higher wages. A higher minimum wage tends to push up wages for other workers. Employees making a bit more than \$18 an hour would also likely see a pay increase.

- A higher minimum wage would likely increase business costs and decrease profits. Businesses may set higher prices for their products and services to offset decreased profits. The overall price increase from Proposition 32 likely would be smaller than one-half of 1 percent.
- Reduced profits for business means they will pay less tax. The decrease in tax revenue will not be more than a few hundred million dollars each year, out of an overall revenue collection of about \$200 billion each year.
- The number of jobs in the state could go up or down. The change in the number of jobs would likely be less than one quarter of a percent.
- State and local government costs could go up or down, because Prop 32 will increase costs in some way and decrease them in others. State and local governments will have to pay higher wages, which will increase costs. At the same time, Prop 32 will reduce the number of people enrolled in health and human services programs, such as Medi-Cal. The enrollment changes would likely reduce state and local government costs. With these factors combined, state and local government costs could go up or down and the change would not likely exceed the high hundreds of millions of dollars annually. Total state and local government spending in California is greater than \$500 billion annually.

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## Raises Minimum Wage

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*Continued from Previous Page*

### SUPPORTERS SAY

- Prop 32 will improve the standard of living for millions of workers in California. Today, many full-time workers can't afford the cost of living in California.
- Prop 32 will improve the economy by making it so that people can increase spending on rent, groceries, and other basic necessities. Increased spending will create more jobs and boost local economies.
- Prop 32 will alleviate taxpayer burden. Taxpayers should not have to subsidize some corporations paying extremely low wages, enabling them to keep record level profit for owners.

### OPPONENTS SAY

- Prop 32 will hurt businesses, especially small businesses that are more vulnerable to the impact of higher operating costs.
- Prop 32 will result in higher prices and cause job loss.
- Prop 32 will increase government expenses and deficits. This may result in fewer government services or increased taxes.

### FOR MORE INFORMATION

#### **Supporters:**

Yes on the California Living Wage Act  
[livingwageact.com](http://livingwageact.com)

#### **Opponents:**

Californians Against Job Losses and Higher Prices  
[stopprop32.com](http://stopprop32.com)

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

**THE QUESTION:** Should the Costa-Hawkins Rental Housing Act of 1995 (a state law) be repealed so local governments can regulate rents?

### THE SITUATION

Housing in California is expensive. Renters here typically pay about 50% more for housing than in other states, and in some areas, rents are more than double the national average. This is because there isn't enough housing for everyone who wants to live in California, so renters have to compete, which drives up the prices.

To help with this, some cities in California have rent control laws that limit how much landlords can increase rent each year. About one-quarter of Californians live in areas with rent control, like Los Angeles, San Francisco, and San Jose.

Additionally, a state law limits most landlords from raising rent by more than 5% plus inflation (up to 10%) each year, and this law is in effect until 2030. However, another state law, called the Costa-Hawkins Rental Housing Act, restricts local rent control in three ways: it doesn't allow rent control on single-family homes, on any housing built after February 1, 1995, and it doesn't let local laws control the rent a landlord can charge a new tenant. Rent control can only limit rent increases for existing tenants.

### THE PROPOSAL

Prop 33 says the state government cannot limit local governments' power to expand or limit rent control. In essence, it would repeal the Costa Hawkins Rental Act. It would allow cities and counties to regulate rents for any type of housing property they choose. It would not matter when the property was built or what

type of building it is. Prop 33 would not change existing rent control laws or create new rent control laws. It would not change a landlord's right to a fair rate of return on their investment.

### FISCAL EFFECTS

The impact on renters and landlords would depend on how many properties are covered by rent control and how much rent increases are limited. Local governments and voters would decide these factors. On the one hand, expanded rent control would provide some people with more affordable housing. On the other hand, housing scarcity could occur if landlords sell their properties rather than rent them out. And the value of rental properties could decrease because potential buyers might not want to pay as much for these properties.

The impact on local budgets would depend on how many cities and counties pass rent control laws and what landlords do. The measure would likely reduce the amount of money cities, counties, special districts, and schools receive from property taxes. This decrease could be in the tens of millions of dollars each year. Cities or counties will also need to spend money to enforce rent control laws. These costs will likely be paid by landlords.

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*Continued from Previous Page*

### SUPPORTERS SAY

- Prop 33 lets local governments enact rent control to protect renters and allow renters to stay in their homes and apartments while more affordable housing is built.
- Prop 33 allows local governments to decide whether and how much to control rents based on the unique situations in their communities
- Billionaire corporate landlords are currently calling the shots and profit from the lack of housing supply.

### OPPONENTS SAY

- Prop 33 could increase housing costs and block new affordable housing from being built. This could worsen the housing crisis.
- Prop 33 could eliminate homeowner and renter protections that already exist and could lead to overturning other state affordable housing laws..
- Prop 33 could reduce home values.

### FOR MORE INFORMATION

#### Supporters:

Yes on 33

[Yeson33.org](http://Yeson33.org)

#### Opponents:

No on Prop 33

[noonprop33.com](http://noonprop33.com)

## Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers

**THE QUESTION:** Should certain healthcare providers be required to spend 98% of revenues from a federal discount prescription drug program on direct patient care and should the state be permanently authorized to negotiate Medi-Cal drug prices?

### THE SITUATION

Medi-Cal is a joint federal-state program that provides health coverage for low-income people. This coverage includes the cost of prescription drugs. In 2019, the state adopted a single approach called “Medi-Cal Rx.” Medi-Cal Rx is not reflected in state law, but it is the approach used to pay for drugs in the Medi-Cal system.

The Federal Drug Discount Program provides discounts on drugs to certain healthcare providers. To qualify for these discounts, providers must meet certain rules. Eligible providers are public or private nonprofits that focus on serving low-income people.

According to the federal government, the federal drug discount program intends to allow eligible providers to increase services and serve more low-income patients. Federal and state law, however, does not directly restrict how providers spend their revenue from federal drug discounts.

### THE PROPOSAL

If passed, Prop 34 would add Medi-Cal Rx to state law.

- **Restricts How Certain Entities Spend Revenue From Federal Discounts.** Health care providers that participate in Medi-Cal Rx may be restricted if they (a) spend over \$100 million in any 10 years on things besides direct patient care and (b) own and operate multifamily housing units

with at least 500 have serious health violations in their properties. Affected healthcare providers would have to spend at least 98 percent of their net revenue earned in California on healthcare services provided directly to patients. They would also have to submit timely and accurate reports detailing the revenue received and the expenditures of that revenue.

- **Establishes Penalties for Violating Rules.** The four penalties that would apply to violators of these provisions would include loss of state tax-exempt status, loss of license, loss of state contracts or grants, and loss of eligibility to serve in leadership roles in state health plans, pharmacies, or clinics.

### FISCAL EFFECTS

According to the Legislative Analyst, there would be increased state costs, likely in the millions of dollars annually, to enforce new rules on affected healthcare entities. Affected entities would pay fees to cover these costs.

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*Continued from Previous Page*

### SUPPORTERS SAY

- Prop. 34 will drastically cut the cost of prescription drugs for Medi-Cal patients by permanently authorizing the State of California to negotiate lower Medi-Cal prescription drug costs.
- Prop 34 requires abusers of the new rules to provide healthcare to low-income patients according to their original mission.
- Prop 34 will require the designated healthcare providers to spend 98% of their taxpayer-generated revenues on direct patient care, which should be their main mission.

### OPPONENTS SAY

- Prop 34 is an attempt by the California Apartment Association to harm a specific healthcare provider, the AIDS Healthcare Foundation, that supports rent control.
- Prop 34 weaponizes the initiative process so no organization in the future will be safe from retribution by wealthy opponents.
- Prop 34 is not necessary because Medi-Cal already has a discount drug program.

### FOR MORE INFORMATION

#### Supporters:

California Apartment Association  
[caanet.org](http://caanet.org)

#### Opponents:

Vote No on 34  
[noon34.org](http://noon34.org)

## Provides Permanent Funding for Medi-Cal Health Care Services

**THE QUESTION:** Should California make permanent an existing tax on managed health care plans to provide ongoing funding for Medi-Cal and other health care services?

### THE SITUATION

California currently imposes a tax on health care plans. The tax is not permanent and needs to be approved every few years by the California Legislature and the federal government. It was last approved in 2023 and will expire at the end of 2026 unless it's approved again. When matched with federal funds, this tax generates revenue that helps pay for health care services for low-income families, seniors, disabled persons, and other Medi-Cal recipients. Medi-Cal is California's Medicaid program, providing health coverage to eligible low-income residents.

The way this tax works has changed over time, but right now, health plans are taxed based on the number of people they cover, including those in Medi-Cal. Some of the tax revenue helps pay for existing Medi-Cal costs, which reduces the amount of money the state has to spend from its General Fund. Some of it is used to increase funding for Medi-Cal and other health programs. For example, the state is using this money to raise payments to doctors and other health care providers in Medi-Cal.

### THE PROPOSAL

Proposition 35 would make the existing tax on managed health care plans permanent. The revenue generated would fund Medi-Cal services and other specified healthcare programs. Key provisions include:

- Making the existing tax on managed health care plans permanent, subject to federal approval.

- Requiring that revenues be used *only* for specified Medi-Cal services, in ways different from the current distribution of funds. These services include primary and specialty care, emergency care, family planning, mental health, and prescription drugs.
- Prohibiting the use of these revenues to replace existing Medi-Cal funding.
- Capping administrative expenses and requiring independent audits of programs.

### FISCAL EFFECTS

According to the Legislative Analyst's estimate:

- In the short term (the next few years) there will be no changes
- Beginning in 2027:
  - Increased funding for Medi-Cal and other health programs between roughly \$2 billion and \$5 billion annually (including federal matching funds).
  - Increased state costs between roughly \$1 billion to \$2 billion annually to implement funding increases.
- In the long term:
  - Unknown effect on state tax revenue, health program funding, and state costs.
  - Fiscal effects depend on many factors, such as whether the Legislature would continue to approve the tax on health plans in the future if Proposition 35 is not passed by voters.

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## Provides Permanent Funding for Medi-Cal Health Care Services

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### SUPPORTERS SAY

- Protects and expands access to health care for millions of Californians, including children, low-income families, seniors, and people with disabilities.
- Provides dedicated, ongoing funding for critical health care services without raising taxes on individuals.
- Improves access to primary care, specialty care, emergency services, and mental health treatment.
- Includes strong accountability measures to ensure funds are spent as intended.

### OPPONENTS SAY

No arguments against Proposition 35 were submitted

### FOR MORE INFORMATION

#### **Supporters:**

Protect Our Healthcare  
[voteyes35.com](https://www.voteyes35.com)

#### **Opponents:**

There were no arguments submitted in opposition to Prop 35

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

**THE QUESTION:** Should California allow people to be charged with felonies for possessing certain drugs and for thefts under \$950, if the defendant has two prior drug or theft convictions?

### THE SITUATION

The law divides crimes into one of two general categories: a felony or a misdemeanor. Felonies are considered by the legal system to be the most severe crimes and can result in state prison or county jail time for more than one year. The sentence for a felony depends on the specific crime and the defendant's history of other criminal convictions. Less severe crimes are called misdemeanors. The sentence for a misdemeanor can be a fine, some sort of supervision, or time in a county jail for no more than one year.

In 2014, voters passed Proposition 47, which changed some crimes from felonies to misdemeanors. For example, it reduced shoplifting (stealing items worth \$950 or less) from a felony charge to a misdemeanor unless the accused person had prior convictions for serious crimes. Drug possession became a misdemeanor as well. Prop 47 also created the Safe Neighborhood and School Fund, which funneled savings from lower incarceration rates to mental health and drug treatment programs, programs to keep kids in school, and for victim services.

One of Prop 47's purposes was to reduce overcrowding in state prisons that had been ruled unconstitutional by the U.S. Supreme Court in 2011. Since 2014, the prison population has decreased and the money saved has been redirected toward the Safe Neighborhood and School Fund.

### THE PROPOSAL

Proposition 36 would turn some misdemeanors into felonies, make some sentences longer, and require some sentences to be served in prison instead of county jail. For example:

- If someone has two past theft convictions, then shoplifting could be charged as a felony with a possible 3-year sentence.
- A person who gives or sells an illegal drug to someone who suffers a major injury from using it could receive a longer prison term instead of a jail sentence. This includes drugs like psychedelic mushrooms and peyote.
- If someone with two or more past drug convictions possesses certain drugs, like fentanyl or cocaine, they could be charged with a felony. If the judge decides that someone is "eligible" or "suitable" they must be sent for drug or mental health treatment. If not, they could be sent straight to jail or prison. If someone finishes treatment, the charges will be dismissed. If not, they could be sent to jail or prison.

Prop 36 also requires that people convicted of selling or providing certain drugs, like fentanyl and cocaine, receive a warning by the court that they could be charged with murder if they do it again and someone dies as a result. This practice could increase the likelihood of a murder conviction for the warned person.

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

**THE QUESTION:** Should California allow people to be charged with felonies for possessing certain drugs and for thefts under \$950, if the defendant has two prior drug or theft convictions?

*Continued from Previous Page*

### FISCAL EFFECTS

Proposition 36 would have financial impacts on both the state and local governments, but the extent of these effects is uncertain and would depend on factors like decisions made by local prosecutors.

The state would experience higher costs, likely in the tens of millions to hundreds of millions of dollars each year, from an increased prison population and the length of time it takes to resolve felonies versus misdemeanors. At the local level, Proposition 36 would likely increase the number of people in county jails and under community supervision. Local courts, prosecutors, and public defenders would also see increased workloads due to the more complex felony cases. Overall, local criminal justice costs could rise by tens of millions of dollars each year.

Proposition 36 would reduce the state savings created by Proposition 47, which are currently used for mental health and drug treatment, school programs, and victim services. This reduction could be in the low tens of millions of dollars annually.

### SUPPORTERS SAY

- Prop 36's tougher laws against "smash-and-grab" thefts will protect businesses in every community.
- Prop 36 will allow prosecutors to combine the value of items stolen from multiple thefts to increase accountability for serial thieves.

- Prop 36 will reduce crime and substance abuse by mandating treatment for felony drug offenders.

### OPPONENTS SAY

- The law already requires felonies for smash-and-grab robberies, drug trafficking, and repeat theft - the purpose of Prop 36 is to increase prison time for unrelated crimes.
- Prop 36 will make California less safe by reducing funding for crime prevention, treatment, rehabilitation and services for crime victims.
- Prop 36 would cost taxpayers billions to imprison more people without reducing crime.

### FOR MORE INFORMATION

#### Supporters:

Californians for Safer Communities  
[voteyesprop36.com](http://voteyesprop36.com)

#### Opponents:

Stop Prop 36  
[stopprisonscam.org](http://stopprisonscam.org)