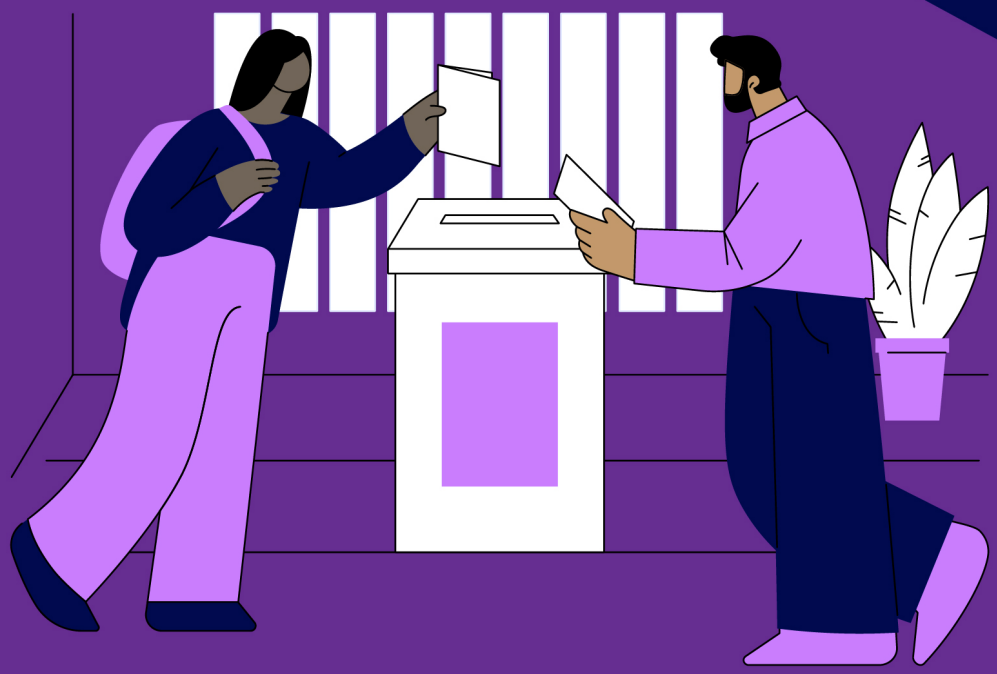
YOUR GUIDE TO THE NOVEMBER STATEWIDE 2026 BALLOT MEASURES



CALIFORNIA ASSOCIATION OF REALTORS®

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An initiative is the mechanism by which voters or the legislature propose and adopt new statutes or amendments to the California Constitution. Generally, any matter that is a proper subject of legislation may become an initiative, but no initiative addressing more than one subject area may be submitted to voters or take effect. (Often referred to as, the “single-subject rule”.)

Fourteen measures have qualified for the November 3, 2026, statewide ballot. The C.A.R. Board of Directors has considered all the qualifying measures and taken the following positions:

Proposition 1: SB 417 (Limón), The Veterans and Affordable Housing Bond Act of 2026
C.A.R. Position: NEUTRAL
An $11.25 billion state general obligation bond for housing. About $10 billion would fund affordable rental and homeownership programs, including CalHome and farmworker housing, and $1.25 billion would fund home, farm, and mobilehome purchase loans for veterans. Repaid by the state General Fund. It is the successor to the 2018 housing bond.

Proposition 2: ACA 20 (Gabriel), Save for California’s Future Act
C.A.R. Position: NOT REAL ESTATE RELATED
Lets the state save more during years when the state generates high tax revenue, by doubling the cap on the rainy day fund from 10 percent to 20 percent of General Fund revenue, and requires bigger deposits in years when capital gains revenue spikes. Also directs more money toward paying down state debts.

Proposition 3: Provides Permanent Funding for Schools and Healthcare by Extending Existing Tax on High
Incomes. Initiative Constitutional Amendment
C.A.R. Position: NOT REAL ESTATE RELATED
The higher income tax rates voters, which went to public education approved in 2012 are set to expire in 2031. This measure makes them permanent. The rates apply to income above roughly $360,000 for a single filer and $721,000 for a couple, and the money goes to public education.

Proposition 4: SB 42 (Umberg), Political Reform Act of 1974: Public Campaign Financing: California Fair
Elections Act of 2026
C.A.R. Position: NEUTRAL
This measure would permit, but not require, public funding of political campaigns in California. Currently the state constitution prohibits it. If this measure passes, candidates who chose to take public money would have to accept spending limits, and the money could not be used for legal fees, fines, or paying back personal loans to a campaign.

Proposition 5: SCA 1 (Newman), Elections: Recall of State Officers]
C.A.R. Position: NOT REAL ESTATE RELATED
This measure would remove the replacement candidates from the recall ballot. Voters would decide only whether to remove the officeholder. Replacement candidates would be decided in a subsequent ballot or by appointment. If a Governor were recalled, the Lieutenant Governor would take over for the remainder of the term rather than whoever finished first in a crowded replacement field.

Proposition 37: Creates Loan Program for Middle-Income Buyers of Qualified New Homes. Initiative Statute
C.A.R. Position: FOR [SUPPORT]
This ballot proposition which is sponsored and supported by C.A.R. would create an up to $25 billion loan program to help middle-income Californians buy a newly built home. Qualified buyers could borrow up to 17 percent of the purchase price at a fixed rate. Buyers must live in the home, have lived in California for at least a year, earn under 200 percent of area median income, and put down at least 3 percent. The revenue bonds are repaid by the participating homeowners, not by taxpayers. The Legislative Analyst's Office review concluded there are costs to the state or local governments. See more information on Prop 37.

Proposition 38: Authorizes Bonds for Immunology Research. Initiative Statute
C.A.R. Position: NOT REAL ESTATE RELATED
Authorizes $8.4 billion in bonds for immunology and immunotherapy research, with half of the research money going to cancer, heart disease, and Alzheimer's. Repayment would cost the General Fund about $500 million a year for 25 years. This measure is controversial as 50% of the revenues would go to an institute owned by the sponsor.

Proposition 39: Establishes Additional Voter Identification and Citizenship Verification Requirements.
Initiative Constitutional Amendment
C.A.R. Position: NOT REAL ESTATE RELATED
Requires voters to show government-issued identification at the polls, or provide the last four digits of an ID number when voting by mail. The state would issue voter ID cards on request, and counties would report annually on citizenship verification.

Proposition 40: Imposes One-Time Tax on Certain Individuals and Trusts. Initiative Constitutional Amendment and Statute
C.A.R. Position: AGAINST [OPPOSE]
This measure seeks to impose a one-time excise/wealth tax of 5% on the net worth of applicable individuals and applicable trusts whose net worth is $1 billion or more, valued as of December 31, 2026. An "applicable individual" is a California resident as of January 1, 2026. An "applicable trust" is a non-grantor, non-tax-exempt trust, typically one funded by an applicable individual.

The Billionaire Tax excludes real property from the net worth calculation when the

property is held in one of three forms: directly in the individual's own name, in a tax-exempt trust, or in a revocable living trust. An interest in a real estate investment trust (REIT) or other real estate owning entity is counted toward net worth and valued at the entity level, but the entity itself is not the subject of the tax and is not taxed.

[Note: Opponents of the billionaire tax, Proposition 40, have qualified two measures, Propositions 41 and 42, which contain language that restricts taxes approved on the same ballot. So that should proposition 40 pass and either 41 or 42 were to pass with more votes, it would negate proposition 40.]

Proposition 41: Requires Audits of Programs Funded by New State Special Taxes. Prohibits New State Taxes That Are Excluded From Existing Voter-Approved State Spending Limit. Initiative Constitutional Amendment.
C.A.R. Position: FOR [SUPPORT]
Requires programs funded by new statewide special taxes to be audited, both before the election and on a recurring basis afterward. Also blocks new state taxes that try to exempt their revenue from the state spending limit, including any on this same ballot.

Proposition 42: Prohibits New State Personal Property Taxes and Certain Retroactive State Taxes. Initiative Constitutional Amendment
C.A.R. Position: FOR [SUPPORT]
Prohibits any new state tax on simply owning personal property such as retirement accounts, investments, business interests, and intellectual property, and prohibits taxes applied retroactively. Applies to taxes taking effect on or after January 1, 2026, including any on this same ballot.

Proposition 43: ACA 22 (Wicks), Local Taxes: Limitation
C.A.R. Position: FOR [SUPPORT]
Addresses the holding of the California Supreme Court that lets a local special tax pass with a simple majority when it is placed on the ballot by citizen initiative rather than by the city council or board of supervisors. Starting January1, 2027, all local special taxes, regardless of who places it on the ballot, would again need two-thirds voter approval. Existing taxes are not affected. This measure came out of the agreement in which the Howard Jarvis Taxpayers Association pulled its initiative and the Legislature pulled ACA 13.

Proposition 44: Requires Community Health Clinics Spend 90% of Revenue on Program Services. Initiative Statute
C.A.R. Position: NOT REAL ESTATE RELATED
Requires nonprofit community health clinics to spend at least 90 percent of their revenue on patient services and other program services rather than on management and overhead, with penalties for falling short.

Proposition 45: Modifies Environmental Review for Certain Projects. Initiative Statute
C.A.R. Position: FOR [SUPPORT]

This measure would implement reform to the California Environmental Quality Act (CEQA) allowing for faster environmental review under CEQA for specified housing, transportation, water, health, and clean energy projects by preventing abuse of the CEQU process by opponents to the projects.