BOMA California
Initiative Summary & Recommendations
Updated - July 14, 2026

*****D R A F T*****

November 2026 California
Initiative Summary & Recommendations/Positions

California's November statewide ballot is finalized, and proposition numbers have been assigned. In total, 14 statewide measures will appear before voters.

BOMA California took positions on four measures during the signature-gathering phase: support for Local Taxpayers Protection Act and the CEQA streamlining measure, and opposition to the Wealth Tax and the High-Income Tax Extension. Staff now recommends formally reaffirming those positions because all four measures have qualified for the ballot.

Staff also recommends support for two housing-related measures and is soliciting member input on three measures involving broader economic issues: the Rainy Day Fund proposal and two measures intended to prevent future wealth taxes.

As a general practice, BOMA California and the broader commercial real estate coalition take positions only on ballot measures that have a direct or disproportionate impact on retail, industrial, or office real estate; multifamily housing; homebuilding; property ownership; development; goods movement; or the broader business climate affecting the industry.

Staff recommendations are focused on measures with a direct connection to real estate, but members may also wish to consider positions on broader economic issues.

QUICK List: November 2026 Statewide Ballot Initiatives
BOMA California Staff Recommendations

<u>HOUSING AND DEVELOPMENT</u>
SUPPORT: Prop 1 - Affordable Housing and Veterans Housing Bond
SUPPORT: Prop 37 - Middle Class Home Ownership Loan Program
SUPPORT: Prop 45 - CEQA Streamlining for Essential Projects

<u>TAXES & ECONOMY</u>
OPPOSE: Prop 3 - High-Income Tax Extension
OPPOSE Prop 40 - Wealth Tax
SUPPORT: Prop 43 - Restores 2/3 Vote for Special Taxes

<u>Recommend Closer Look and More Discussion</u>
Potential Support: Prop 2 - Rainy Day Fund
Potential Support: Prop 41 - Special Tax Audit and Spending Limit Protection
Potential Support: Prop 42 - Band on State Personal Property and Retroactive Taxes

More detail on all initiatives follows.

*****PROP 1. Affordable Housing and Veterans Housing Bond**

Authorizes $11.25 billion in state bonds, with $10 billion for affordable housing and $1.25 billion for veterans' home loan assistance.

Primary Proponents: Sen. Cabaldon/Asm. Wicks; Gov. Newsom; housing advocates.
Official Campaign Website: HousingBondCA / Ballotpedia

BOMA Cal Position: Recommend **Support**

Why CRE Cares: Although the bond creates some long-term state debt, such targeted investment in affordable housing can expand workforce availability, reduce labor and commuting pressures, and remove a major constraint on commercial development and economic growth.

*****PROP 2. State Rainy Day Fund Expansion.**

Increases the cap on California's Budget Stabilization Account and makes related changes to the state appropriations limit.

Primary Proponents: Governor Newsom; legislative Democrats.
Official Campaign Website: No website yet / Ballotpedia

BOMA Cal Position: Discussion recommended on potential positive economic impact.

*****PROP 3. High-Income Tax Extension**

Makes permanent the existing high-income personal income tax rates that are currently set to expire in 2031, with revenues allocated 89% to K-12 schools and 11% to community colleges.

Primary Proponents: California Teachers Association; education labor organizations.
Official Campaign Website: Not found / Ballotpedia.

BOMA Cal Position: Recommend **Oppose** (opposed during qualification)

Why CRE Cares: CRE opposed the original "temporary" tax increase; converting it into a permanent feature of California's tax structure would further weaken the state's competitiveness for business owners, investors, and high-income residents who support commercial real estate investment/demand.

*****PROP 4. Public Financing for Campaigns.**

Allows state and local governments to create public campaign-financing systems, subject to eligibility rules, spending limits, and other safeguards.

Primary Proponents: California Clean Money; Common Cause; League of Women Voters.
Official Campaign Website: YesFairElections.org / Ballotpedia

BOMA Cal Position: No Position Recommended.

*****PROP 5. State Officer Recall Reform.**
Eliminates the simultaneous replacement-candidate election when a state officer is recalled. If the recall succeeds, the vacancy would be filled under existing succession or special-election rules.

Primary Proponents: League of Women Voters; Common Cause; former Senator Josh Newman.
Official Campaign Website: Not found / Ballotpedia.
Ballotpedia Website: California Eliminate State Officer Recall Successor Elections Amendment.

BOMA Cal Position: No Position Recommended.

*****PROP 37. Middle-Class Homeownership Loan Program.**
Creates a state-backed loan program to help eligible middle-income buyers purchase qualified new homes, funded through up to $25 billion in bonds to be repaid through borrower payments.

Primary Proponents: Bob Hertzberg; CA Homes Committee; Realtors; Carpenters.
Official Campaign Website: CA Homes Coalition / Ballotpedia.

BOMA Cal Position: Recommend **Support**

Why CRE Cares: Helps qualified buyers purchase newly built homes (of all types) or converted commercial properties that could make more housing and redevelopment projects financially viable, while addressing the housing shortage.

*****PROP 38. Immunology Research Bond.**
Authorizes $8.4 billion in state bonds for immunology and immunotherapy research, including cancer, heart disease, Alzheimer's disease, and related research.

Primary Proponents: Gary Michelson; Michelson Center for Public Policy.
Official Campaign Website: CA Immunology Bond / Ballotpedia.

BOMA Cal Position: No Position Recommended

*****PROP 39. Voter ID and Citizenship Verification.**
Requires voters to provide government-issued identification or partial government ID information when voting, requires voter ID cards to be available on request, and adds voter-roll and citizenship-verification requirements.

Primary Proponents: Reform California / Carl DeMaio; Californians for Voter ID.
Official Campaign Website: YesOn39 / Ballotpedia.

BOMA Cal Position: No Position Recommended.

*****PROP 40. Wealth Tax**

"Billionaire's Tax." Imposes a one-time tax of up to 5% on certain individuals and trusts with covered assets above $1 billion, with 90% of revenues allocated to health care and 10% to food assistance or education programs.

Primary Proponents: SEIU-United Healthcare Workers West.
Official Campaign Website: Billionaire Tax Now / Ballotpedia.

BOMA Cal Position: Recommend **Oppose** (opposed during qualification/CBPA PAC contributed)

Why CRE Cares: Taxing the value of business and real estate holdings, even on a one-time basis, could force asset sales, discourage investment, and drive capital and high-net-worth taxpayers out of California.

*****PROP 41. Special Tax Audit and Spending Limit Protection.**

Requires audits for programs funded by new state special taxes and prohibits new state taxes that exclude their revenues from California's existing voter-approved state spending limit.

Primary Proponents: Building a Better California / Sergey Brin Led Tech Group (Google et al).
Official Campaign Website: Results CA / Ballotpedia.

BOMA Cal Position: Discussion recommended. (CBPA Executive Committee has taken a Support position as part of a larger effort to defeat Prop. 40 and protect against future wealth taxes).

Why CRE Cares: New state taxes can increase the cost of investing and doing business in California; Proposition 41 would require greater accountability for special-tax spending and prevent the state from placing new tax revenues outside the voter-approved spending limit.

*****PROP 42. Ban on State Personal Property and Retroactive Taxes.**

Prohibits new state taxes on ownership or control of personal property, including retirement accounts, financial assets, investment accounts, business interests, and intellectual property, and bars certain retroactive state taxes.

Primary Proponents: Building a Better California / Sergey Brin Led Tech Group (Google et al).
Official Campaign Website: Protect Your Savings and Retirement / Ballotpedia.

BOMA Cal Position: Discussion recommended. (CBPA Executive Committee has taken a Support position as part of a larger effort to defeat Prop. 40 and protect against future wealth taxes).

Why CRE Cares: Protects business ownership interests and other investments from new state wealth-style taxes and prevents taxes from being imposed retroactively after business and investment decisions have already been made.

Proposition 43. Two-Thirds Vote for Local Special Taxes.
Requires two-thirds voter approval for local special taxes, including special taxes proposed by voter initiative, and prohibits local ad valorem real property taxes except as constitutionally authorized.

Primary Proponents: Howard Jarvis Taxpayers Association.
Official Campaign Website: HJTA Save Prop. 13 / Ballotpedia.

BOMA Cal Position: Recommend **Support**. (Supported during qualification/CBPA PAC Contributed)

Why CRE Cares: Restores the two-thirds vote requirement for all local special taxes and helps prevent future ULA-style tax initiatives targeting commercial real estate.

Proposition 44. Community Clinic Spending Requirement.
Requires nonprofit Federally Qualified Health Centers and similar community clinics to spend at least 90% of revenue on program services, with enforcement and penalties for noncompliance.

Primary Proponents: SEIU-United Healthcare Workers West; SEIU 721.
Official Campaign Website: Hold Clinics Accountable / Ballotpedia.

BOMA Cal Position: No Position Recommended

Proposition 45. CEQA Streamlining for Essential Projects.
Amends CEQA to expedite environmental review for specified housing, transportation, water, health, clean energy, and infrastructure projects, including agency deadlines and limits on certain litigation delays.

Primary Proponents: CalChamber.
Official Campaign Website: Build Affordable California / Ballotpedia.

BOMA Cal Position: Recommend **Support**. (Supported during qualification/CBPA PAC Contributed)

Why CRE Cares: Although it does not directly streamline most commercial real estate projects, this measure would speed up housing and critical infrastructure projects, including the roads, bridges, power, water, broadband, and charging systems that commercial development and the goods movement sector rely on.

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