

Ballot Measures in the Upcoming 2026 General Election: Potential Impact on State Budgets

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Introduction

Ballot measures have made a significant impact on finances in states and localities over the years. Provisions to limit class size, earmark revenues, significantly increase and decrease state revenues, compensate landowners, and authorize gaming are all products of ballot measures. The most common measures are those placed on the ballot by state legislatures.

In recent years, measures to legalize marijuana, increase the minimum wage, and change tax rates have also appeared on numerous state ballots. Even after ballot measures have been decided, legal and administrative challenges may arise in implementing the measures.

Overview of 2026 Measures

There are 145 ballot measures in 36 states in the upcoming general election. Since this is a midterm election year, the numbers are significantly higher than the 24 measures from last year. Additionally, voters in nine states decided on 19 measures in primary and special elections earlier in 2026.

Thirteen states have tax measures on their ballots. In California, a measure would indefinitely extend existing higher income tax rates on high-income taxpayers and dedicate the resulting revenue primarily to K-12 schools and community colleges. Another measure in California would impose a one-time 5 percent tax on the accumulated wealth of taxpayers and trusts with covered assets valued over $1 billion. In Colorado, voters will consider two measures related to income taxes: one would establish a graduated individual income tax rate, while the other would cap individual and corporate income tax rates. In North Carolina, a measure would reduce the maximum allowable individual income tax rate from 7.0 percent to 3.5 percent. Tennessee voters will decide on a measure that would prohibit the legislature from imposing a property tax.

In Washington, a measure would repeal a law that established a 9.9 percent tax on annual individual or household wage income above $1 million.

Several states have measures on the ballot that would make changes to revenue and state funds. Colorado voters will decide on a measure that would increase the TABOR cap and use the retained revenue for K-12 education expenses. In Missouri, voters will consider a measure that would create the Show-Me Prosperity Investment Fund, which would be invested by the state with the goal of generating earnings to replace tax revenue and eventually eliminate state taxes. Georgia voters will consider a measure that would create a Next Generation 9-1-1 Fund, while South Dakota voters will consider a measure that would establish an unclaimed-property trust fund.

Voters in Arkansas, California, Hawaii, New Mexico, and Rhode Island will consider bond measures. Measures are for a variety of purposes including funding for environmental projects, education facilities, housing programs, senior citizen facilities, and economic development projects.

Education measures include one in North Dakota that would require public schools to provide students with one free breakfast and one free lunch each school day. In Arizona, voters will consider a measure that would require certain school districts to spend at least 60 percent of their operational budgets on direct instructional expenses.

South Dakota voters will decide on a measure that would amend the state constitution to make Medicaid expansion contingent on the federal government covering at least 90 percent of the program's cost.

Voters in Nebraska will consider two measures that would authorize online sports wagering.

Missouri, Montana, North Dakota, South Dakota, and Utah will consider changes to the ballot measure process. In North Dakota, South Dakota, and Utah, voters will decide whether certain ballot measures should be required to receive at least 60 percent voter approval. The Missouri measure would require an 80 percent vote in both legislative chambers before proposed changes to voter-approved citizen initiatives could be referred to voters for approval.

In California, Florida, Maryland, and Wisconsin, voters will consider measures related to the budget process. California's measure would increase the cap of the state's Budget Stabilization Account from 10 percent to 20 percent. The Florida measure would increase the maximum balance of the state's Budget Stabilization Fund from 10 percent to 25 percent of net general revenue. In Wisconsin, the measure would prohibit the governor from using the partial veto to create or increase any tax or fee.

Earlier this year, voters in Alabama, Alaska, Kansas, Louisiana, Missouri, North Dakota, Oklahoma, Oregon, and Virginia decided on 19 ballot measures, with eight approved and 11 defeated. Voters in Louisiana defeated a measure that would have repealed specified education funds and redirected funds to the Teachers' Retirement System of Louisiana to fund pay raises for public school employees. Missouri voters approved a measure that renewed an existing sales and use tax for 10 years to fund state parks and soil and water conservation programs. Missouri voters also defeated a measure that would have phased out the individual income tax based on revenue growth. In Oklahoma, voters defeated a measure that would have increased the state minimum wage to $15 per hour by 2029 and expanded coverage of the state minimum wage law. Oregon voters defeated a measure that would have increased the state's gas tax, vehicle title fees, state registration fees, and the state transit payroll tax.

2026 Ballot Measures by Category

The following are select notable ballot measures in the upcoming 2026 election that could affect state finances.

Taxes

Arizona Proposition 141
Prohibits state and local governments from imposing a tax or fee based on vehicle miles traveled and restricts laws that monitor or limit vehicle miles traveled without consent.

Arizona Proposition 316
Limits local taxes on groceries to 2 percent and requires voter approval to impose or increase such a tax.

California Proposition 3
Indefinitely extends existing higher income tax rates on high-income taxpayers and continues dedicating the resulting revenue primarily to K-12 schools and community colleges.

California Proposition 40
Imposes a one-time 5 percent tax on the accumulated wealth of taxpayers and trusts with covered assets valued over $1 billion and dedicates the revenue to health care, education, and food-assistance programs.

California Proposition 41
Prohibits the state from enforcing any tax that is exempted or excluded from the state's spending limit and establishes financial and performance audits for state laws or ballot initiatives levying new special taxes.

California Proposition 42
Prohibits new state taxes on specified personal property, retirement assets, and savings, as well as certain retroactive state taxes.

California Proposition 43
Requires two-thirds voter approval, rather than a simple majority, for local special taxes proposed through the citizen initiative process beginning in 2027 and prohibits local governments and ballot initiatives from enacting ad valorem property taxes except those authorized elsewhere in the state constitution.

Colorado Amendment 87
Establishes a graduated individual income tax, with rates ranging from 3.7 percent to 8.4 percent, and dedicates additional revenue to education, health care, and childcare.

Colorado Proposition 136
Caps Colorado's individual and corporate income tax rates at 4.4 percent.

Florida Amendment 2
Exempts tangible personal property used for agricultural and agritourism purposes from property taxation.

Florida Amendment 3
Increases the homestead exemption for non-school taxes, reduces the cap on how much the assessed value of certain non-homestead property can increase each year, and limits how counties and municipalities can spend property tax revenue.

Georgia Amendment 1
Increases the maximum amount of agricultural and timber property that a single owner can enroll in the Conservation Use Valuation Assessment program from 2,000 to 4,000 acres.

Iowa Amendment 1
Requires a two-thirds vote of both legislative chambers to increase individual or corporate income tax rates or establish a new state income tax.

Louisiana Amendment 1
Allows a surviving spouse of a disabled veteran to transfer the homestead property tax exemption one time to a new homestead.

Louisiana Amendment 2
Revises constitutional provisions governing local property-tax millage rates and allows local taxing authorities to set new millage rates below the maximum permitted by the state constitution.

Louisiana Amendment 6
Authorizes a property-tax exemption up to $30,000 of assessed property value, with the amount increasing based on the homeowner's age, for qualifying homeowners age 65 or older.

Louisiana Amendment 9
Increases the income limit to qualify for the property tax special assessment level from $100,000 to $150,000.

Louisiana Amendment 10
Authorizes property-tax exemptions for qualifying rehabilitated derelict or blighted property.

Massachusetts Question 5
Changes the calculation of the state's tax revenue limit and includes revenue from the additional tax on high incomes in the definition of state tax revenue.

North Carolina Income Tax Rate Cap Amendment
Reduces the maximum allowable individual income tax rate from 7.0 percent to 3.5 percent.

North Carolina Property Tax Levy Limit Amendment
Requires the legislature to pass laws limiting the amount property taxes may increase.

Oklahoma State Question 847
Reduces constitutional limits on annual increases in the taxable value of property, including lower limits for homestead property, and makes related changes to the senior homestead assessment freeze.

Tennessee Constitutional Amendment 2
Prohibits the legislature from enacting taxes on property.

Washington Initiative 645
Repeals the state's 9.9 percent tax on annual individual or household wage income above $1 million and prohibits future taxes on income.

Wyoming Initiative 1
Exempts 50 percent of a primary residence's assessed value from property taxation.

Revenue/State Funds

Arkansas Issue 3
Authorizes the legislature to establish programs, including economic development districts, and allows specified loans and grants to develop the state economy.

Colorado Proposition 137
Allows the state to retain and spend sales tax revenue from sporting goods and equipment for water, land, forest, wildfire prevention, and outdoor recreation purposes rather than refunding the revenue under TABOR.

Colorado Proposition NN
Increases the TABOR cap and uses the retained revenue for K-12 education expenses.

Georgia Amendment 3
Authorizes the legislature to create and dedicate revenue to a fund titled the Georgia Next Generation 9-1-1 Fund.

Louisiana Amendment 5
Allows state retirement systems receiving nonrecurring state money to apply it to any unfunded accrued liability rather than requiring payment toward the oldest liability first.

Massachusetts Question 6
Establishes the Nature for All Fund to fund nature conservation efforts and dedicates specified tax revenue from the sale and use of sporting goods, recreational vehicles, and golf courses to the fund.

Missouri Amendment 7
Establishes a permanent public endowment fund to be managed by the state to generate revenue that may be used to eliminate state-imposed taxes if sufficient revenue becomes available.

South Dakota Constitutional Amendment K
Establishes an unclaimed-property trust fund.

Bonds

Arkansas Natural Resources Commission Bond Measure
Authorizes up to $500 million in state general obligation bonds for water, wastewater, pollution-control, drainage, irrigation, flood-control, wetlands, and related infrastructure projects.

California Proposition 1
Authorizes the state to issue $11.25 billion in bonds to fund income-qualified housing programs.

California Proposition 37
Establishes a second-mortgage loan program for qualifying homebuyers on qualifying homes and authorizes up to $25 billion in bonds to fund the program.

California Proposition 38
Authorizes the state to issue $8.4 billion in general obligation bonds to fund immunology and immunotherapy research.

Hawaii Question 2
Authorizes the legislature to allow counties and municipalities to issue housing infrastructure growth bonds for specified public works, public improvements, and community development.

New Mexico Bond Questions 1–3
Authorizes $280 million in general obligation bonds, including $30 million for senior citizen facilities, $20 million for academic, public school, tribal, and public libraries, and up to $230 million for capital improvements and acquisitions at higher education institutions, special schools, and tribal schools.

Rhode Island Questions 1–5
Authorizes a total of $600 million in bonds, including $275 million for construction and improvement of higher education facilities, $120 million for construction and development of affordable housing projects, $100 million for economic and infrastructure development projects, $55 million for environmental and watershed projects, and $50 million for construction of a state history center.

Education

Arizona Proposition 320
Requires school districts with more than 7,500 students to spend at least 60 percent of their operational budgets on direct instructional expenses.

Minnesota Permanent School Fund Amendment
Revises the administrative policies for investing and distributing the Permanent School Fund and requires the fund to be managed to preserve its purchasing power over time.

North Dakota Constitutional Measure 2
Establishes the Healthy School Meals for All program and requires public schools to provide one free breakfast and one free lunch each school day to students.

Health Care/Medicaid

California Proposition 44
Requires certain nonprofit federally qualified health centers to spend at least 90 percent of their revenue on mission-related purposes.

South Dakota Constitutional Amendment I
Amends the state constitution to make Medicaid expansion contingent on the federal government covering at least 90 percent of the program's cost.

Labor

Massachusetts Question 2
Permits employees of the Committee for Public Counsel Services to participate in collective bargaining practices.

Vermont Proposal 3
Establishes a constitutional right for employees to organize or join a labor organization for purposes of collective bargaining.

Marijuana/Gaming

Massachusetts Question 8
Repeals laws that allow the sale, regulation, taxation, and home cultivation of recreational marijuana and revises state marijuana-possession laws.

Nebraska Initiative Measure 440
Allows the state legislature to enact laws authorizing online sports wagering.

Nebraska Initiative Measure 441
Authorizes online sports betting in the state and requires the Nebraska Racing and Gaming Commission to adopt rules and regulations governing gaming operators.

Ballot Measure Process

Missouri Amendment 6
Establishes constitutional protections for the initiative and referendum process and requires an 80 percent vote in each legislative chamber before the legislature may refer certain changes to voter-approved laws back to voters.

Montana Constitutional Initiative 133
Adds the initiative and referendum powers to the state's Declaration of Rights and establishes standards for laws that restrict those powers.

North Dakota Constitutional Measure 1
Requires proposed constitutional amendments to receive at least 60 percent voter approval to be adopted.

South Dakota Constitutional Amendment L
Requires proposed constitutional amendments to receive at least 60 percent voter approval.

Utah Constitutional Amendment A
Requires proposed constitutional amendments to be published for 60 days immediately before the general election in a manner established by the legislature.

Utah Amendment B
Requires citizen-initiated ballot measures to receive at least 60 percent voter approval to make certain tax-related changes.

Budget Process

California Proposition 2
Increases the cap of the state's Budget Stabilization Account from 10 percent to 20 percent and makes related changes to state reserve requirements.

Florida Amendment 1
Increases the maximum balance of the state's Budget Stabilization Fund from 10 percent to 25 percent of net general revenue and revises requirements for annual transfers into the fund.

Maryland Question 1
Requires the governor's proposed budget to include funding necessary to implement wages, benefits, and other terms established in collective bargaining agreements or through specified arbitration procedures for state employees.

Wisconsin Question 1
Prohibits the governor from using the partial veto to create or increase any tax or fee.

Other

California Proposition 4
Repeals the state's prohibition on public financing of election campaigns and allows state and local governments to establish public campaign-financing programs.

Louisiana Proposed Amendment 7
Authorizes the use of public funds for the maintenance of drinking water utility service lines affected by hazardous materials on property owned by utility customers.

New Mexico Constitutional Amendment 4
Establishes a salary for state legislators equal to the state's annual median household income.

NASBO will provide an update on the status of these measures following the election as well as keep you informed of other measures that may qualify in upcoming elections.

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