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U.S. Voters Say Yes to Big Bond Issues, Mixed Message on Taxes.

U.S. voters on Tuesday favored a surge in borrowing for public projects, approving some of the biggest bond measures on ballots, while support for new taxes was mixed, according to election results on Wednesday.

Final voting tallies were not immediately available for all of the 682 state, school and local government bond measures, according to data company Ipreo.

At $70.3 billion, the amount of bond issuance requested to fund the building and repairing schools, mass transit, roads, and other projects was the largest in a decade. To view the historical amount of bond ballot measures, click on tmsnrt.rs/2e9Z5bb.

Some of the largest bond requests won approval, including the biggest bond proposal in Tuesday's election: $9 billion of California general obligation debt in the state's so-called Proposition 51. This will finance new construction and modernization for K-12 and charter schools and community colleges, according to semi-official election results on the California Secretary of State's website.

"Passage of Proposition 51 is credit positive for school districts with approved, but unfunded capital projects under the state School Facility Program, which is depleted," Lori Trevino, an analyst at Moody's Investors Service, wrote in a research note on Wednesday.

With 195 bond measures totaling $41.7 billion, California issuers accounted for nearly 60 percent of the total par amount of debt on ballots nationwide.

California's voters rejected Proposition 53, a proposal to rein in debt by requiring statewide voter approval for revenue bonds exceeding $2 billion for projects financed, owned or managed by the state.

The rejection removes a hurdle standing in the way of projects such as the $14.9 billion California Water Fix project for upgrading its water infrastructure.

"It assures that the state's water policymakers will have the tools necessary to implement the California Water Fix, although they still face an uphill battle to secure the full approval and financial backing necessary to implement the plan," Shannon Groff, Fitch Ratings director of U.S. Public Finance, said in a statement.

As for tax measures, California voters passed a 12-year extension of a temporary state personal income tax increase on earnings of $250,000 or more and a cigarette tax hike.

Voters in 35 states weighed 154 state-wide measures, including bonds and taxes, according to the National Conference of State Legislatures, which posted results on its website.

Montana voters said no to creating a biomedical research authority funded by $200 million of bonds

over 10 years.

PUBLIC HEALTHCARE INSURANCE OPTION FAILS

In Colorado, voters turned down a proposed constitutional amendment calling for a public option universal healthcare payment system, funded by a new 10 percent state payroll tax. They also rejected a cigarette tax hike.

Arkansas voters agreed to lift a cap on state bond issuance for economic development projects. Illinois will have to earmark money generated from transportation-related fees and taxes exclusively for transportation uses, under a new constitutional amendment approved by voters.

New Jersey voters approved the use of gasoline taxes solely to fund road, bridge and mass transit projects, and to allow $12 billion of transportation borrowing over eight years. Governor Chris Christie signed a 23-cent gas tax hike into law in October.

In Missouri, voters amended the state constitution to prohibit any new tax on services or transactions. Oklahoma voters turned down a sales tax hike for public education. A corporate tax hike to fund education in Oregon also failed.

Washington state voters rejected the nation’s first tax on carbon emissions.

At the local level, San Diego voters rejected a measure to raise hotel taxes and direct hundreds of millions of public dollars toward building a new National Football League stadium in downtown San Diego for the Chargers team.

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