

Misgovernance in California

by Earl P. Holt III

Even though it's been estimated that California would be the fourth largest economy in the world if it were an independent nation, the state will become **financially insolvent** in the near future as surely as the *Sun-rising-in-the-East*. That event will almost certainly occur within the next decade, because several powerful and irreversible trends make it predictable and even inevitable.

California is the *national poster-child* for misgovernance, because it has used smoke-and-mirrors to mismanage the state's finances for decades. It spent \$22 Billion over the past decade attempting to end homelessness, only to see their numbers steadily increase because those funds created incentives to attract more homeless. Likewise, California has the highest State Sales Tax in the nation at 7.25 percent, but it still managed to generate a **\$73 Billion budget deficit in 2024-2025**. To fund its deficit, the state has borrowed hundreds of billions of dollars from both its teachers' and state employees' pension funds. Actuaries indicate the two are now under-funded by almost a trillion dollars.

The haplessness and incompetence found in California state government is epitomized by its proposed **High-Speed Rail Project**. This debacle exposes how poorly California is run by the imbeciles, queers, illegals, n*ggers, "Progressives," pseudo-environmentalists, nudists, vegetarians and communists who dominate its State Senate and State Assembly. In 2008, this light-rail system to connect San Francisco with L.A. was unveiled at a cost of \$33 Billion, and was to be completed by 2020. 17 years later, not a single rail has been laid, and its most recent cost projections are \$128 Billion, nearly **TRIPLE** the original estimate. President Trump has wisely refused to throw more good money after bad to further subsidize this staggering boondoggle.



California's Light Rail to Nowhere

The *Golden State* is now home to at least one million low-skilled, illegal aliens. Many of them don't speak English, won't assimilate, and have become an enormous financial burden on the state's resources. Their numbers began to swell after Governor Gavin Newsom declared California a "*sanctuary state*" in 2018, and then exploded after the Biden Administration opened our southern border in 2021. As a result, **California spent \$31 Billion in 2023** on benefits and services to illegals. (*Federation for American Immigration Reform. "Don't California My America." House Budget Committee Report, July 29th, 2024.*)

Despite a *tsunami* of illegal immigrants entering in the last several years, California has experienced a 200,000 **net loss of population** each year since 2021. Legitimate and over-taxed citizens are leaving California in droves in recent years, often taking their businesses with them. ***Hewlett Packard, Tesla, Charles Schwab, Oracle, SpaceX, DoorDash***, and several others recently moved their corporate headquarters to the more favorable business climate available in Texas. This exodus immediately produced an annually recurring loss of \$2 Billion in corporate tax collections by the state, and a \$3.5 Billion annual decline in individual state income tax collections.



Hewlett Packard, Tesla, Charles Schwab, Oracle, & SpaceX

Moreover, normal California citizens frequently find themselves at the mercy of **rabid environmentalists** within state government. Since 1993, its state government has prohibited the cutting of "*fire-breaks*" by county fire departments under power lines, so wildfires that once were manageable have grown increasingly out of control and more destructive. In response, many insurance companies writing *Homeowners' Insurance Policies* have fled. California's rabid environmentalism has also forced an estimated 60,000 to 100,000 independent trucking firms to either go out of business or move out-of-state to avoid forced-unionization and *Electric Vehicle truck* mandates dictated by California's ***Assembly Bill 5***, enacted in 2020.



California General Assembly, in Session

“Environmentalism” dictates much of California's legislation, often to the profound detriment of everyone else. 34 percent of California's electricity is supplied by *“soft energy”* such as wind and solar, rather than more reliable sources like nuclear energy or fossil-fuels. Thus, **“rolling blackouts”** frequently occur during extended periods of hot weather. It also has the nation's highest gasoline prices, partially caused by it also having the highest state gas taxes. Moreover, Californians experience the nation's most expensive electricity rates, which are two-thirds higher than the U.S. national average. Its reliance on *“soft”* energy sources forces it to import expensive electric power from neighboring states through endless miles of transmission lines.

Between 2019 and 2022, state spending in California increased by more than 50%, even though the average income of state residents increased only 17.6 percent. The state is clearly out of control, and the morons it elects to govern it are content to spend like n*ggers with a stolen credit card. They probably expect to be out-of-office by the time the sh*t **REALLY** hits the fan.

One interesting fact to consider is that individual states cannot legally declare bankruptcy — and “reorganize” their debts — as cities and counties may do. This fact affords a golden opportunity for a Republican administration and a GOP Congress with guts to demand dramatic legal and financial reforms from California, in return for whatever bailout that state may eventually request from U.S. taxpayers.

If a federal bailout is required to save California, it would be prudent for Congress or the U.S. Treasury to insist that all those holding state elective office in California **resign their offices** as a pre-condition for a bailout. Statewide elected officials, including the Governor, Treasurer, Secretary of State, and both houses of the state legislature must first resign their offices before any money is transferred. U.S. Treasury officials who

negotiate terms might also consider prohibiting them from ever running for office in California again.

Secondly, the federal government must demand an amendment to the state's Constitution prohibiting any form of **"sanctuary" status** for illegal aliens in California's cities, counties, or anywhere else within the state. Interference by California officials with immigration authorities in pursuit of their lawful duties -- especially immigration officials -- should be treated harshly as a violation of federal law, and punishable by a prison sentence on each count.

It would be wise for the *Department of Justice* to oversee or conduct a "purge" of the *entire* state's **Voter Registration Rolls** as another precondition for a bailout. All counties should be forced to comply with the ***National Voter Registration Act of 1993***. This purge should target illegal voting by non-citizens, dead people, fictitious names, duplicate names and household pets. Recently, as a result of a lawsuit by ***Judicial Watch***, Los Angeles County, alone, was court-ordered to purge 1.2 million names from its voter rolls! The rest of the state remains rife with dubious *"registered voters"* who regularly contribute illegally to its staggeringly incompetent governance.

It might also be a good idea for the duration of federal oversight to require state election officials at every level to **post a bond** to guarantee their conduct. If they are found to be engaged in illegal conduct in the course of their duties, they should forfeit their bond.

Finally, California should be required to adopt an amendment to its state constitution **prohibiting welfare** or transfer payments of any kind to illegal immigrants, including ***SNAP*** cards, ***TANF***, ***WIC*** vouchers, ***Medicaid*** cards, ***Section 8*** vouchers, ***Supplemental Security Income***, ***Emergency Assistance Programs***, ***General Assistance***, or any other free programs that are normally available to U.S. citizens.

A small committee of accountants, actuaries and attorneys could be appointed to administer the financial affairs of the state. So-called “*Democrats*” and cowardly Republican “*RINOs*” will balk at this idea. However, as the catastrophe in California continues to regress into anarchy, this will impose ever greater urgency upon Congress to act, and California to accept the reforms imposed upon it.

No matter who is President, when the state’s insolvency eventually occurs, it should be the administration's very highest priority to demand that California allow the *Department of Homeland Security* and the *Corps of Engineers* to erect a new border wall across the state’s entire southern border with Mexico. Any state interference or litigation, particularly that involving environmental objections by a state agency, should end the federal government’s bailout or continued assistance.

Anyone with a brain could have predicted that California's current state of mismanagement would eventually become catastrophic, but the fruits and nuts in California state government refused to listen. California has welcomed illegal aliens, but driven away employers, taxpayers, and freedom-loving residents who refuse to live under a socialistic state government. As a result, California is headed for disaster, and the state's gross mismanagement is its primary cause.

Is it any wonder why there's a profound shortage of *Budget*, *U-Haul*, *Penske* and *Ryder* rental trucks in California?