

COLAB

San Luis Obispo County



The Coalition of Labor Agriculture and Business

WEEKLY UPDATE JANUARY 19 - 25, 2020

11th ANNUAL

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San Luis Obispo County

DINNER & FUNDRAISER



Steve Hayward
UC Berkeley's Conservative Senior Resident Scholar
Why is the World So Crazy,
Can it Be Made Sane Again?

Thursday, March 26
Alex Madonna Expo Center

5:15 pm Social Hour, Open Bar
6:15 pm Filet Mignon Dinner including Wine
\$120 per person | \$1,200 per Table (Reserved Seating for 10)

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SENIOR SCHOLAR WILL INSPIRE OUR RESOLVE
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**STAND UNITED CELEBRATING LIBERTY AND PROSPERITY
SUPPORT COLAB OF SAN LUIS OBISPO COUNTY**



THIS WEEK

NO BOARD OF SUPERVISORS MEETING

**POTENT & FAR REACHING INDUSTRIAL HEMP ISSUE
AT PLANNING COMMISSION**

**NEW SURFACE MINING REGS (GRAVEL) AT
PLANNING COMMISSION**

LAST WEEK

**BIG LABOR CONTRACT COSTS APPROVED
WE WILL SEE IF THEY ARE SUSTAINABLE AT BUDGET TIME**

**MORE LAND OFF TAX ROLL FOR OPEN SPACE
FORECLOSED SPECTACULAR OPPORTUNITY & COUNTY IS PAYING MORE
THAN 10 TIMES ITS ASSESSED VALUE**

**TOBACCO BAD
VAPING BAN + EXPANDED NO SMOKING ZONES
ADOPTED UNANIMOUSLY**

**CANNABIS GOOD?
CANNABIS APPLICATION DEADLINE EXTENDED
SUPERVISORS ARNOLD AND COMPTON OPPOSED**

LAFCO CONSIDERS ITS ROLE IN HOUSING

**SLO COLAB IN DEPTH
SEE PAGE 14**

**COLLECTIVE BARGAINING TRANSPARENCY TRAP
BY MIKE BROWN**

**NEWSOM'S 2020-21 BUDGET – A BIG PIE BUT
EMPTY CALORIES
BY EDWARD RING**

THIS WEEK'S HIGHLIGHTS

No Board Supervisors Meeting on Tuesday, January 20, 2020

Planning Commission Meeting of Thursday, January 23, 2020 (Scheduled)

Item 8 - Clarification and Updating of Ordinances Pertaining to Mining (Such as gravel operations and quarries). The Commission will consider revisions to the ordinance which pertain to gravel operations and other mining. The zoning classifications related to mining are mandated by State

law in an effort to prevent the counties and cities from allowing development on or near major mineral deposits. The idea is to not allow incompatible development. The State understands that extracting minerals such as gravel for roads is of very high strategic importance.

In reading the Plan goals below, the question arises: Is the County really trying to protect mining and its impact on the economy and the need for vital materials? Check out some of the wording highlighted in yellow below:

Principle 1: *Preserve open space, scenic natural beauty and natural resources. Conserve energy resources. Protect agricultural land and resources.*

Principle 2: *Strengthen and direct development toward existing and strategically planned communities.*

This one actually sounds like an effort to use the mining ordinance to promote stack- and- pack

Coastal Zone

Goal 1: *Preserve open space, scenic natural beauty and natural resources. Conserve energy resources. Protect agricultural land and resources.*

Goal 8: *Strengthen and direct development toward existing and strategically planned communities.*

Ditto

The proposed amendments would support and be consistent with the principles and goals. Framework for Planning establishes two combining designations for the protection of mineral resources. These are EX (Energy and Extractive Area) and EX1 (Extractive Resource Area). EX applies to regional energy facilities, large scale mining operations, and mineral resources of statewide significance. EX1 applies to minerals resources of regional significance. Ordinance requirements for non-mineral development differ between the two designations. The proposed amendments would clarify the distinction between the two combining designations and introduce a third designations.

Economic Element

The following goals are relevant to the proposed Mineral Resources Designation Amendments:

Goal EE1: *Promote a strong and viable local economy by pursuing policies that balance economic, environmental, and social needs of the county.*

What does balance mean? Good jobs in mining and trucking would benefit social needs.

Goal EE 2: *Retain and enhance a diverse economy.*

Goal EE 3: *Provide for strategically-located opportunities for economic development.*

The proposed amendments would support and be consistent with the goals stated in the Economic Element and State Mining and Geology Board (SMGB) "Mineral Resource Management Policies" for any lands that are designated as containing significant mineral resources. The proposed amendments

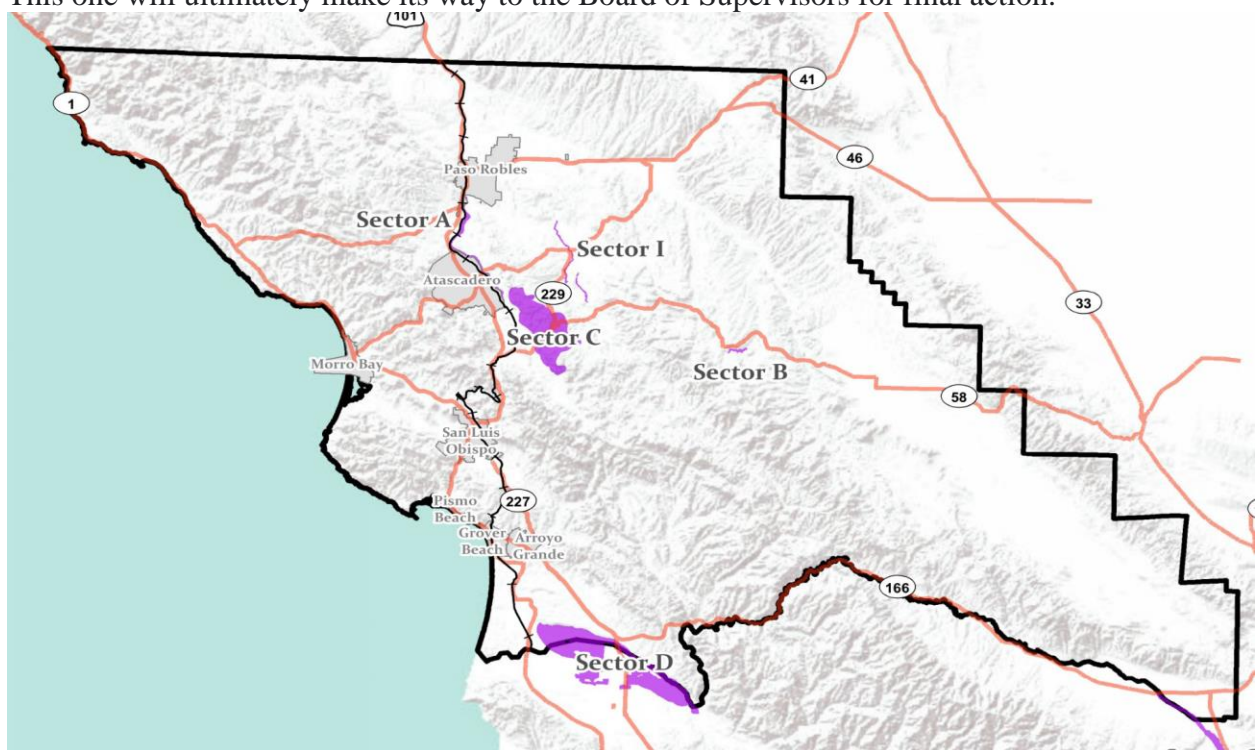
are designed to ensure that sand and gravel resources are available to meet the needs of the construction needs, while forecasting demand. Conservation and Open Space Element

The Board sure as heck didn't pay attention to this one on last week's Item 34 below.


The following goals are relevant to the proposed Mineral Resources Designation Amendments:

- **Goal MN 1:** *Conservation and development of significant mineral deposits will be a high priority, but will be balanced with other County General Plan goals and policies.*
- **Goal MN 2:** *Significant mineral resources will be protected from land uses that threaten their availability for future mining.*
- **Goal MN 3:** *Balance mining of mineral resources with sensitive natural resources and existing adjacent property.*

This one will ultimately make its way to the Board of Supervisors for final action.



Map Key

 SR215 Mining Sectors

Item 9 - Regulation of the Cultivation of Industrial Hemp. The Commission will begin to process the draft ordinance for the regulation of industrial hemp. This one may take several meetings, as the community is very conflicted. Even sub-communities such as agriculture are divided. For example, many grape growers and wineries are worried that the odor will be harmful to their business. The other Ag interests in general are worried about the banning or regulation of a legal agricultural crop. What precedents could this establish?

Hemp smells and looks like cannabis. There appears to be argument about the accuracy of this assertion.

The draft ordinance restricts the growth of hemp to agricultural and rural residence zones on the expectation that crops could be located away from homes. It also sets distance separation requirements on which many people disagree.

Even though there was considerable community interaction, including the various interest groups involved, there are remaining disagreements, even within some of the organizations.

Law enforcement is concerned that some operators may use hemp to camouflage cannabis by planting the hemp on the borders of the field and the cannabis in the interior.

Those who don't like cannabis or hemp assert that it will promote crime and impact public safety.

The full ordinance can be accessed at the link:

<https://agenda.slocounty.ca.gov/iip/sanluisobispo/file/getfile/118795>

We will report back as the issue moves toward the Board of Supervisors.

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, January 14, 2020 (Completed)

Wage Increases:

In **Items 21** and **22**, the Board unanimously approved the wage increases for various components of the County's largest union, the San Luis Obispo County Employees Association (SLOCEA), as well as non-union employees who perform similar work (**Item 23**). The aggregate impact is to add \$3,600,000 million in new and unbudgeted costs in the current fiscal year 2019-20; \$9,800,536 in FY 2020-21; and \$13,304,576 in FY 2021-22. No one explained how the large costs in years 2 and 3 would be financed. The County Board had previously approved more modest increases for the Public Safety, which will, nevertheless, add to the financial distress.

Note that for the current fiscal year the new \$3.6 million is unbudgeted and will have to be made up in the 3rd quarter:

Departmental saving and/or unanticipated revenue will be the primary source of funding for unbudgeted expenditures associated with the compensation increases. To the extent departmental savings are not available to cover the amount, staff will recommend that your Board authorize a transfer of the deficit amount out of the General Fund Contingencies to the departments' operating budgets, as needed, as part of the third quarter report. Third quarter is when many such year-end adjustments are made.

Looking Forward

The new \$9.8 million and \$13.3 million in years 2 and 3 will place stress on the budgets for those years and all others going forward. The staff report does not detail how much is local general fund and how much may be offset by State and Federal revenues. It is thus difficult for the Board and public to assess the true impacts of making the decision today.

The County’s adopted budget policy is to seek to keep labor cost “sustainable,” which this round certainly exceeds.

One Hand Doesn’t Know What the Other is Doing:

Ironically, and on this very agenda at **Item 34** below, the Board is being requested to purchase 250 acres of land (some of which is ocean front) for \$3.5 million and convert it to perpetual passive open space. What if a few acres were allowed to be a 5-star resort generating \$5 million in new taxes per year, new jobs, more tourism, and other multipliers?

Did Staff Go Into Labor Negotiations with One Hand Tied Behind Their Backs?

Two years ago the County held firm with SLOCEA and limited the increase to around 1.5% per year. SLOCEA conducted a labor strike in protest, but nevertheless, the County imposed the contract. At that point Supervisor Gibson opined in front of Union Reps from the dais that he didn’t like it and warned the staff to “do better” on the next round of negotiations with SLOCEA.

Item 21 - Submittal of a resolution approving the July 1, 2019 through June 30, 2022 Memorandum of Understanding between the County of San Luis Obispo and the San Luis Obispo County Employees’ Association, Bargaining Unit 02 – Trades, Crafts, and Services Unit. This is a 3-year contract that will add costs detailed in the table below:

Item	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Annual Ongoing
Wages	\$324,890	\$854,740	\$1,154,468	\$1,154,468
Healthcare	\$14,458	\$52,612	\$92,242	\$110,182
Tool Allowance	\$2,100	\$4,200	\$4,200	\$4,200
Uniform and Boot Allowance	\$1,380	\$1,380	\$1,380	\$1,380
Consultation Standby	\$375	\$900	\$900	\$900
Call Back	\$2,311	\$5,653	\$5,766	\$5,766
Total Increases to Current Costs	\$345,515	\$919,485	\$1,258,956	\$1,276,896

Item 22 - Submittal of a resolution approving the July 1, 2019 through June 30, 2022 Memoranda of Understanding between the County of San Luis Obispo and the San Luis Obispo County Employees’ Association, Bargaining Unit 01 – Public Services Unit, Bargaining Unit 05 – Supervisory Unit, and Bargaining Unit 13 – Clerical Unit. This is a 3-year contract as outlined in the table:

Item	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Annual Ongoing
Wages	\$3,029,010	\$8,211,055	\$11,066,810	\$11,066,810
Healthcare	\$57,846	\$208,080	\$447,330	\$590,220
Standby and Consultation Standby	\$1,739	\$4,171	\$4,171	\$4,171
Call Back/Call In	\$14,682	\$35,913	\$36,631	\$36,631
Bilingual Pay	\$70,406	\$168,840	\$168,840	\$168,840
Health Agency Special Allowances	\$20,240	\$48,697	\$48,861	\$48,861
Uniform and Boot Allowance	\$690	\$690	\$690	\$690
Cannabis Enforcement	\$3,723	\$9,106	\$9,288	\$9,288
Total Increases to Current Costs	\$3,198,336	\$8,686,551	\$11,782,620	\$11,925,510

Note the special bonus payoff for employees who inspect cannabis operations. Are they being paid for additional risk or what? These employees and the County must believe that the stuff has some negative or dangerous properties if it deserves hazard pay. What don't we know?

The County will provide Resource Protection Specialists who are required to conduct field compliance checks for Cannabis Activities with the appropriate equipment, training, and resources, and will develop appropriate safety protocols as determined necessary by the County Sheriff or Director of Planning and Building for the safe completion of compliance checks. Employees will also receive a 4% differential for all hours worked in the field conducting compliance checks effective the start of the pay period following Board of Supervisors' approval of the agreements.

Item 23 - Submittal of a resolution approving wage increases for certain classifications within the unrepresented Confidential employees' Bargaining Unit 11 to maintain salary parity with their non-confidential counterparts represented by the San Luis Obispo County Employees' Association.

This is a small group consisting of largely clerical and fiscal employees who cannot be members of a union because they work on confidential information related to labor negotiations and policy formulation. The write-up states that the costs will increase by about \$12,500 per year.

Item 34 - Conversion of More Private Land to Open Space - Submittal of a resolution to Purchase Real Property located in the unincorporated area of the County situated between Morro Bay and Cayucos, a resolution to authorize a grant agreement with the California Coastal Conservancy to provide acquisition funding. The Board approved the acquisition unanimously, with praise from various conservation groups which assisted with the planning and negotiations.

Background:

The County will acquire the 258 acres, including 12 ocean front acres, for \$3.75 million dollars from Chevron. The Board write-up indicates that it is needed for recreation due to population growth. However, the write-up states that most of the inland portion will be leased for cattle grazing.

Property Description

Approximately 258 acres

- *Located on both sides of Highway One*

- 246 acres East of Highway One used for cattle grazing and a single-family residence
- 12 acres West of Highway One with beach access adjacent to the mean high tideland
- Adjacent to 30 acres of conservation land owned by the Cayucos Land Conservancy

The parcel is currently assessed for \$350,000 and is reportedly used for grazing. Since it is zoned for Agriculture and Recreation already, why is it worth \$3.75 million? It's not as if Chevron could build a tank farm on it. It's not as if a successor could build homes or a resort. Are the County's appraisers and staff saying that it's worth \$3.75 million as grazing land? What is the cow/calf ratio that could be grazed on the inland 246 acres? What is that worth per year? How does that translate into \$3.75 million?

Even though State grants are paying for most of it, it's all our tax money!

Why couldn't a beautiful Hyatt Regency or Ritz -Carlton 5-Star destination resort go on the landward side of the highway? A pedestrian bridge could be built to the beach side. The public could still use it as well. Most of it could still be preserved as open space. Since no one wants vacation rentals, why not a hotel? With property tax, sales tax and TOT, it could generate \$5million per year.

The property could also contain some homes of various types. There could still be hiking trails.



Costs	CNRA Grant	WCB Grant	SCC Grant	County of SLO	TPL/LCSLO	Total
Fair market value	\$1,000,000	\$1,750,000	\$950,000	\$50,000	-	\$3,750,000
Title report/appraisal	-	-	-	-	\$30,000	\$30,000
State approval	-	-	-	-	\$7,810	\$7,810
Escrow, title, closing	-	-	-	-	\$15,000	\$15,000
Consultant reports	-	-	-	-	\$10,000	\$10,000
Funding sign	-	-	-	-	\$1,500	\$1,500
TOTAL	\$1,000,000	\$1,750,000	\$950,000	\$50,000	\$64,310	\$3,814,310

Ongoing Operations

- *Inland 246 acres left as open space with continuation of leases for residence and agricultural use*

- *12 acres west of Highway One used for public beach access and to facilitate the Morro Bay to Cayucos Connector Trail project*

- *Revenue from leases will offset minimal operational costs associated with open space use*

Future operational costs associated with the trail project will come to the Board when that project is considered for construction.



Will the public even be allowed to walk in the dunes and Ice Plants?

As we noted last week, when the Planning Commission considered the matter, why is it a good idea for the County government to remove this land from private ownership and prohibit private development? There are already miles of beachfront parks and campgrounds in the area, not to mention other “passive open space places.”

What are the alternative uses that could generate revenue for the County, which is always raising fees? What about the need for housing or paying for the raises outlined above?

MATTERS AFTER 1:00 PM:

Items 39 and 40 below were hearings on ordinances which expand the County’s anti-smoking regulations and ban electronic vaping devices:

Item 39 - Public meeting to consider an Ordinance amending Chapter 8.22 of the County Code to expand prohibition of smoking to all public areas within the unincorporated areas of the County, with certain allowable exceptions. The amendment was approved unanimously without controversy or much comment. The Health Officer presented statistics about 2nd hand smoke and its health hazards.

Proposed Amended Ordinance 8.22

The proposed changes to Chapter 8.22 of the County Code would update the current definition of smoking to include cannabis products and electronic smoking devices. The amended ordinance will also expand the current prohibition of no smoking on County property to include all public areas, including any public or privately-owned place that is open to the general public regardless of any fee or age requirement, within the unincorporated areas of the County. Such places include all

recreational areas, outdoor dining areas, entryways, services areas, sidewalks, and common areas of multi-unit residential complexes (e.g. play and swimming areas). The ordinance would also remove exemptions made to the California smoke-free workplace law that allow smoking in some indoor areas. Certain designated areas may be exempted as authorized by the County Health Officer and the County Director of Parks and Recreation.

Item 40 - Public meeting to consider an Ordinance amending Chapter 8.23 of the County Code to prohibit the sale of electronic smoking devices in the unincorporated areas of the County. The Board approved the ban unanimously after some public comment, most of which was in favor.

The ordinance bans the sale of the devices for now. The write-up stated in part:

Proposed Amended Ordinance 8.23

The proposed changes to Chapter 8.23 of the County Code would update the current definition of tobacco products to include electronic smoking devices. In addition, the amended ordinance will include a prohibition on the sale of these devices until approved by the federal Food & Drug Administration (FDA) as safe and effective smoking cessation aids.

Item 42 - Submittal of a resolution extending the limited abeyance of enforcement policy for existing cooperative or collective cannabis cultivation operations; exempt from CEQA. The revised abeyance ordinance passed 3/2, with Supervisors Compton and Arnold dissenting. The key provision was to extend the time deadline for certain applicants to obtain their permits. The deadline had been December 31, 2019. It is now extended to June 30, 2020. Abeyance refers to a provision of the County's cannabis ordinance which allows applicants for permits who signed up at the beginning of the process to continue to operate while they are working to obtain their permits.

At the Meeting: There were a significant number of public speakers, mostly from the industry, who supported the extension.

It appears that 23 of the 31 applications which are the subject of this session are out of compliance in one way or another and would not be granted abeyance. As expected, there was considerable controversy at the meeting.

The County's slide presentation summarizes the issues:

History

- Original Temporary Abeyance Resolution was set to expire on July 1, 2018

- Has Since Been Extended Three Times:
 - October 1, 2018
 - December 31, 2018
 - December 31, 2019

Proposed Abeyance Requirements

Expansion and Clarification of Requirements Which Must Be Met Including:

- Provisional State License
 - Previous Payment of Cannabis Business Tax
 - Ongoing Compliance with Cannabis Business Tax
 - Provide Site Plan for Existing Operation
 - California Cannabis Track-and-Trace (CCTT) Metric
 - Background Check
-
- Application Submitted by Deadline
 - Accepted for Processing
 - Payment of Application Fees
 - Report Data to California Cannabis Authority
 - Prevent Nuisance Odor
 - Pesticide Compliance
 - Site Inspections

Abeyance Operators

Red = Must Cease Operations

- Land Use Permit Approval
- Do Not Meet Abeyance Resolution Criteria
- Do Not Hold an Active State License
- Have Not Paid County Cannabis Business Tax or Have Filed Attesting Zero Taxable Revenue

Green = May Continue to Operate Pending Land Use Permit Approval

- May Continue to Operate Under the Abeyance Resolution Until Permit Approval or June 30, 2020

Background:

The Sheriff and County Planning Director pointed out that there were a number of applicants who had code violations and should not be permitted to continue the process. In effect they are illegally growing, processing, and selling cannabis without a permit. Every time the abeyance ordinance is extended, they can keep operating, don't have to pay the taxes, and exist essentially unregulated.

There is a 2nd group which has received approval of the permits subject to conditions, some of which require completion of heavy capital investment before their permit actually becomes live. Supervisors Arnold and Compton have pointed out that it's not the County's fault that they have not complied with their permit conditions.

**Local Agency Formation Commission (LAFCO) Meeting of Thursday, January 16, 2020
(Completed)**

Item B-1 - Study Session: Affordable Housing in San Luis Obispo County. The item was a nice review of the housing crisis. The SLOCOG staff gave a presentation on the Regional Housing Needs Assessment (RHNA) Plan. They also outlined some of the controversial housing bills which are pending in the Legislature. County CEO Wade Horton and Special Projects Manager Carolyn Berg gave a nice presentation introducing their work on the joint cities /county Housing Action Plan.

Item C-2: 2019 Annual Report and 2020 Work Plan. Some potential applications that could come up in 2020 include:

Fiero Lane Annexation, City of San Luis Obispo
Gateway Project (Furlotti), City of Paso Robles
Morro Bay/Cayucos Boundary changes
Froom Ranch, City of San Luis Obispo
Divestiture of Fire Service, Oceano CSD
Canada Ranch Annexation, Nipomo CSD
San Simeon CSD-Activate Solid Waste Power
County Service Area 16-Shandon: Detachment
County Service Area 18-Country Club: Jack Ranch Annexation

COLAB IN DEPTH

IN FIGHTING THE TROUBLESOME, LOCAL DAY-TO-DAY ASSAULTS ON OUR FREEDOM AND PROPERTY, IT IS ALSO IMPORTANT TO KEEP IN MIND THE LARGER UNDERLYING IDEOLOGICAL, POLITICAL, AND ECONOMIC CAUSES

COLLECTIVE BARGAINING TRANSPARENCY TRAP **BY MIKE BROWN**

The costly wage and benefit increases approved by the Board of Supervisors last week under Items 21 and 22 above remind us of a flaw in the State's mandate that requires local agencies to bargain with unions over wages, benefits, and work rules.

California Government Code 3500, known as the Meyers-Milias-Brown Act, (MMB) requires negotiation in good faith with the recognized employee representative on specified subjects. It also permits local agencies to adopt their own rules and regulations for the governance of labor relations.

The law also allows the cities, counties, special districts, school districts, and other entities to use closed sessions to instruct their negotiators about what they may offer and to strategize about the negotiations.

Cal. Gov't Code § 54957.6, which provides:

54957.6. (a) Notwithstanding any other provision of law, a legislative body of a local agency may hold closed sessions with the local agency's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, and, for represented employees, any other matter within the statutorily provided scope of representation.

The statute provides some detail about what may be discussed in the closed sessions.

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies its designated representatives. Closed sessions of a legislative body of a local agency, as permitted in this section, shall be for the purpose of reviewing its position and instructing the local agency's designated representatives.

Closed sessions, as permitted in this section, may take place prior to and during consultations and discussions with representatives of employee organizations and unrepresented employees. Closed sessions with the local agency's designated representative regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits may include discussion of an agency's available funds and funding priorities, but only insofar as these discussions relate to providing instructions to the local agency's designated representative.

The statute also requires that final action approving the new contract must be taken in open session.

Closed sessions held pursuant to this section shall not include final action on the proposed compensation of one or more unrepresented employees.

While this sounds positive, there is a terrible omission in the actual operation of the requirement, which undermines its ostensible intent and promise of open disclosure prior to a final public vote on the contract.

This works as follows:

1. The County or any other jurisdiction) and the union hold a series of negotiating sessions. Staff reports back to the governing body in closed session as the negotiations progress.
2. Ultimately, the parties come to a tentative agreement (TA), which is then subject to ratification by the union membership and ultimately by the County in open session. Once a positive union ratification vote is achieved, the new contract is signed by the union representative and is placed on the public agenda for approval.

3. Normally, one would think that the County Board could approve or reject the contract. The Board might be influenced by public comment, letters, news articles, editorials, advocacy groups, and others who have examined the contract provisions prior to the Board meeting.

4. But No! The Board agreed to the contract in closed session and the union accepted it in good faith. The Board cannot renege. If the Board changes its collective mind based on public input, it would be charged with an unfair labor practice. Even though the new contract is characterized as a TA, if a majority of the members agreed to it in closed session, the Board cannot change its mind. This means the public has no real input. Anything they point out or say is irrelevant, as the contract was already agreed to in the secret closed sessions.

This is one reason that government salary and benefit costs have escalated so geometrically in California.

Reform is needed. The Board approval should only be tentative until the contract has been made public and has been subjected to public opinion. This decades-old trap, which cuts the public out of the normal process, must be abolished.

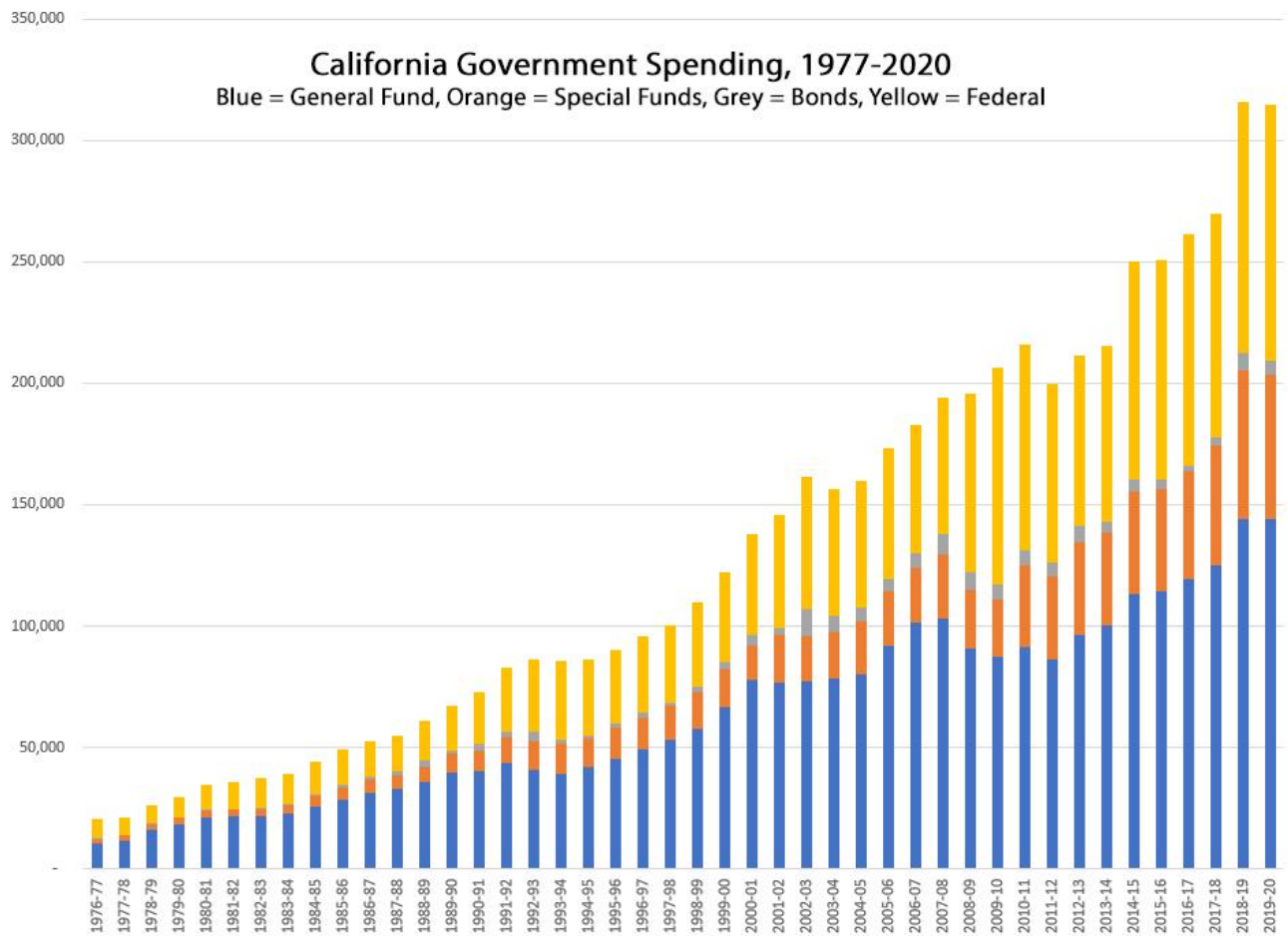
Otherwise, the labor contracts should be made subject to public referenda. Perhaps a school board, board of supervisors, city council, special district board, and others should be deemed to have forfeited their office if they lose 3 referenda in a row. Three strikes and you're out!

NEWSOM'S 2020-21 BUDGET – A BIG PIE BUT EMPTY CALORIES

BY EDWARD RING

Governor Newsom has unveiled his budget proposal for the fiscal year 2020-21, and it comes in at a [whopping \\$222 billion](#). That's up from \$209 billion last year, and sharply up from a few years ago. Backing up a decade, the 2010-11 budget totaled \$130 billion. What on earth could justify a 70 percent increase in spending in just ten years?

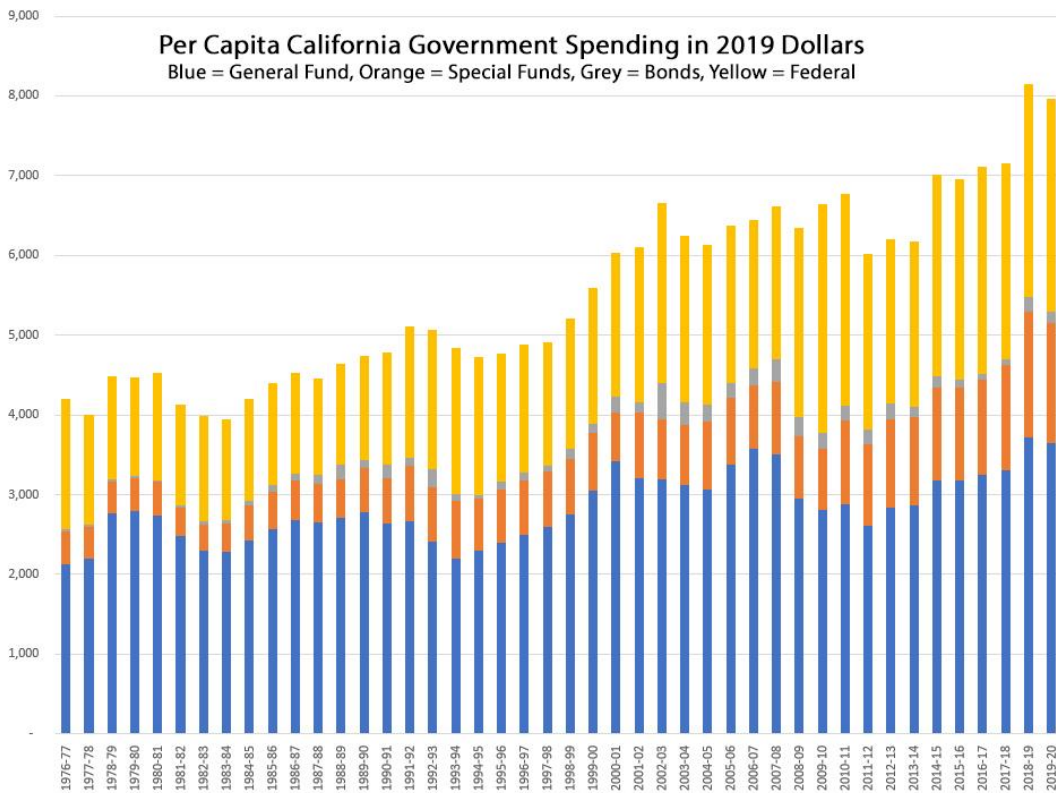
Shown below is the shocking growth in California's state budget over the past forty years. The chart includes not only general fund spending, along with special funds and bonds, but also federal funds which are not included in the \$222 billion total, but which are administered by the state and spent in California.



As can be seen, the growth hasn't been uniformly up. There was a drop during the mild recession in the mid 1990s, another one in 2004-2005, and a plunge during the great recession that affected 2011 through 2014. But overall, spending growth over the past 40 years looks a bit like the proverbial hockey stick.

To have a fair discussion of spending growth in California, however, it is necessary to adjust for population growth and the impact of inflation. That is not a problem, since [population data](#), [CPI trends](#), and [historical budgets](#) are all easily found online. Back in 1977 California's population was 21.9 million, and the CPI was 56.9. For the last five years, California's population has hovered just under 40 million, growing by only a half million in that period of time, averaging barely 100,000 per year (ponder that fact, Gov. Newsom).

Shown below is per capita state government spending in California expressed in 2019 constant dollars. Viewing this information puts the current budget growth into context, and as can be seen, the trends are sharply upward, especially in the last two years.



Examining the categories of spending growth separately, all of the categories show huge increases. In constant 2019 dollars, per capita general fund spending has risen from \$2,124 in 1976-77 to \$3,650 in 2019-21. Special Funds spending has soared, from \$418 per capita in 1976-77 to \$1,507 in 2019-20. And Federal contributions to the state have also risen sharply, from \$1,637 forty years ago to

\$2,669 today. In constant dollars, adjusted for inflation, per capita state spending in California has roughly *doubled* over the past forty years.

From this analysis, it should be obvious that California’s government has been spending more every year, a *lot* more, even after adjusting for population growth and the impact of inflation, and the trend has been nearly continuous for the last forty years. To suggest that Californians should pay more in taxes to support a near doubling in per capita government spending because Californians have more income today is so ridiculous that further analysis isn’t required. Just look around.

Compared to forty years ago, Californians cannot afford to purchase homes, they cannot afford to pay college tuition, they cannot drive on uncongested freeways, and they cannot expect their children to get a good education in public schools. Forty years ago, they could expect all those things.

There have been many improvements to our lives over the past forty years – the tech revolution and precision medicine, to state two obvious examples – but apart from cleaner air and less crime, the state can’t take much

credit for improvements to the quality of life for Californians. The state can take credit, however, nearly exclusive credit, for making California unaffordable, for ruining California's public schools, for driving up the cost of college tuition and neglecting our highways. And the state is fast losing all the gains that were made in fighting crime since the 1970s.

So while there are plenty of [pet programs](#) to assail in Newsom's budget, and some trillion dollars in [debt and unfunded liabilities](#) that make mockery of the [alleged surplus](#), the elephant in the room is to compare where we are to where we were. What happened? We spent more, much more, and life is harder. The workers are moving out, while the indigent pour in for the benefits and the super wealthy invest in security systems and beachfront property.

It's important to ask where all this money goes. It's important to make the obligatory pie charts and understand who gets what. But more important is why are we spending so much? What is the pie so much bigger today, yet provides less nourishment than ever?

Edward Ring is a co-founder of the California Policy Center and served as its first president. This article originally appeared on the website [California Globe](#).



ANNOUNCEMENTS

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Why is the World So Crazy,
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Reservations and payment can be made at:

<http://www.colabslo.org/support.asp>

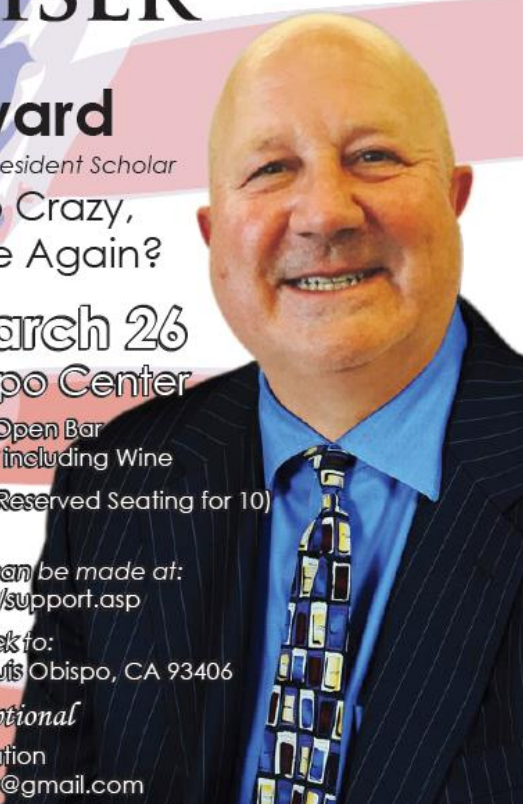
Or mail your check to:

COLAB SLO: PO Box 13601, San Luis Obispo, CA 93406

Cocktail Attire Optional

For more information

(805) 548-0340 | colabslo@gmail.com



THE ANDY CALDWELL SHOW

AM1440
KUHL • the information station

AM 1290
Santa Barbara News-Press Radio

Listen to Andy Live Monday Thru Friday 3:00 PM to 5:00 PM





**SUPPORT COLAB!
PLEASE COMPLETE THE
MEMBERSHIP/DONATION FORM ON THE
LAST PAGE BELOW**



**MIKE BROWN
ADVOCATES BEFORE THE BOS**



**VICTOR DAVIS
ADDRESSES A**

**HANSON
COLAB FORUM**



DAN WALTERS EXPLAINS SACTO MACHINATIONS AT A COLAB FORUM

See the presentation at the link: <https://youtu.be/eEdP4cvf-zA>



AUTHOR & NATIONALLY SYNDICATED COMMENTATOR BEN SHAPIRO APPEARED AT A COLAB ANNUAL DINNER



NATIONAL RADIO AND TV COMMENTATOR HIGH HEWITT AT COLAB DINNER

Coalition of Labor, Agriculture and Business
San Luis Obispo County
"Your Property - Your Taxes - Our Future"
PO Box 13601 - San Luis Obispo, CA 93406 / Phone: 805.548-0340
Email: colabslo@gmail.com / Website: colabslo.org

MEMBERSHIP APPLICATION

MEMBERSHIP OPTIONS:

General Member: \$100 - \$249 \$ _____ Voting Member: \$250 - \$5,000 \$ _____

Sustaining Member: \$5,000 + \$ _____

(Sustaining Membership includes a table of 10 at the Annual Fundraiser Dinner)

General members will receive all COLAB updates and newsletters. Voting privileges are limited to Voting Members and Sustainable Members with one vote per membership.

MEMBER INFORMATION:

Name: _____

Company: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ Email: _____

How Did You Hear About COLAB?

Radio Internet Public Hearing Friend

COLAB Member(s) / Sponsor(s): _____

NON MEMBER DONATION/CONTRIBUTION OPTION:

For those who choose not to join as a member but would like to support COLAB via a contribution/donation.

I would like to contribute \$ _____ to COLAB and my check or credit card information is enclosed/provided.

Donations/Contributions do not require membership though it is encouraged in order to provide updates and information.

Memberships and donation will be kept confidential if that is your preference.

Confidential Donation/Contribution/Membership

PAYMENT METHOD:

Check Visa MasterCard Discover Amex NOT accepted.

Cardholder Name: _____ Signature: _____

Card Number: _____ Exp Date: ___/___ Billing Zip Code: _____ CVV: _____

TODAY'S DATE: _____

(Revised 2/2017)