



WEEKLY UPDATE JULY 9 - 15, 2023

**THE BOARD SUMMER RECESS RAN FROM JUNE 21-JULY 8, 2023.
THE WEEKLY UPDATE RETURNS WITH THE JULY 9, 2023 EDITION**

THIS WEEK SEE PAGE 5

“BUREAUCRATESE”¹ OBFUSCATES BOARD ITEMS

ITEM 28 - HOMELESS ENHANCED MEDICAL CARE

ITEM 24 - AD HOC HOMELESS CAMPGROUNDS PERMANENT

INTERIM CAO LESS INTERIM - NEW 1 YEAR CONTRACT

**\$13 MILLION HOMELESS CAMPING GRANT
STATE NOW ACCEPTS AD HOC CAMPS AS STATUS QUO**

**DIABLO POWER PLANT DEMOLITION PERMIT UPDATE
EIR COST OVERRUN - STAY TUNED FOR MORE**

PRIOR WEEKS SEE PAGE 8

BOS MEETING

Federal Lobbyist Contract Approved

State Lobbyist Contract Approved

¹ Bureaucratise: a form of language used by managerial elites to suppress the citizens and democracy.

Grand Jury Gives County Jail Excellent Bill of Health
Board Approves Outside Auditors for Next 5 Years
FY 2023-24 Pension Rate Increases Approved
Struggling Cannabis Industry Receives Tax Rate Decrease
Ordinance to Dump Columbus Day for Native Americans Day Approved
Final FY 2023-24 Budget Adopted
Yet Another “Annual Performance Review” of the “Interim” CAO
(He’s only been here for a month but will now be here for at least a year)

Regional Energy Program Funded By Your PG&E Bill
New Recurring Section - BOS Member Meeting Reports

APCD

Wood Smoke Prevention Program - Fireplaces Now Bad
FY 2023-24 Budget Adoption
New 2-year contract and raise for the Air Pollution Control Officer

CENTRAL COAST COMMUNITY ENERGY AUTHORITY

Receives Clean FY 2022 Audit
Struggles with Regulatory & Energy Supply Issues
Mandates Project Labor Agreements for Its Energy Suppliers
\$177 Million Debt Issuance Proposed to Arbitrage Energy Costs

EMERGENT ISSUES

Item 1 - [California Power Outages: Is this Gavin Newsom’s Gray Davis Moment?](#)

Energy is not so ‘renewable’ when it fails to even produce the power needed to fire up all of the state’s Teslas. Seriously – it is 2023 (not 2002), and the “Nation State” of California can’t figure out how to keep the ... [\[Continue Reading\]](#) Control click on the link to open the rest of the article.

Item 2 - Annual crime report shows Californians’ fear of increasing crime is justified

BY [DAN WALTERS](#) JULY 9, 2023

IN SUMMARY

Very quietly, California's Department of Justice released its annual report on crime, revealing that violent and property crimes spiked in 2022.

Political officeholders at all levels and of all ideological stripes habitually pursue a time-dishonored practice when releasing data.

If it's positive, politicians try to maximize its importance with lavish news conferences and self-congratulatory declarations.

If, on the other hand, the data have a negative cast, they will be released quietly, often late on a Friday afternoon, to minimize media coverage.

California's [annual report on crime](#) was released this year on the Friday before what for many would be a four-day, Fourth of July holiday weekend. That's a tipoff that it would not be good news – and, in fact, it received minimal media attention.

The 2022 report revealed that the state's violent crime rate increased by 6.1% since 2021, and property crime was up 6.2%. Homicides dipped very slightly, but robberies jumped by 10.2%.

Attorney General Rob Bonta [issued a low-key statement](#) with the data release, saying, “While crime rates remain significantly below their historical highs, property and violent crimes continue to have devastating consequences for communities across the state, and gun violence remains a major threat to public safety.”

One can be certain that had California seen a drop in crime in 2022, Bonta would have trumpeted it as loudly as possible.

Let's be clear: Neither Bonta nor any other attorney general can have more than a marginal effect on crime rates. Nevertheless, their campaigns often depict themselves as the state's top cop and imply that they do have such authority.

Why crime rates ebb and flow is the subject of never-ending academic and political debate – and is colored by equally erratic public concerns about being victimized.

At the moment, Californians' worries about crime appear to be on the upswing, as indicated by one of the Public Policy Institute of California's [periodic polls](#), conducted just before last fall's election.

“Californians' perception of crime spiked during the pandemic – as did certain types of crime,” PPIC found, adding, “nearly two in three Californians call violence and street crime in their local

community a problem. This includes 31% who call them a big problem, a noticeable increase from February 2020 (24%).”

The poll found that among racial and ethnic groups, Black Californians expressed the highest level of concern about crime, women were more concerned than men, and Republicans more than Democrats or independent voters.

The data released on June 30 imply that those concerns are rooted in fact. Crime did increase sharply last year, particularly robberies, and it has not gone unnoticed in the media.

The proliferation of cameras in stores and in the hands of cellphone owners has produced a never-ending supply of crime video snippets, such as smash-and-grab invasions of stores, for television newscasts, which then reverberate on YouTube and other online outlets.

Just a few days after the crime report release, for example, a [San Francisco TV station aired video](#) of criminals breaking into a Bay Area visitor’s rental car in broad daylight, stealing the contents and driving away.

Bonta and the man who appointed him attorney general before he won reelection in November, Gov. Gavin Newsom, have pursued somewhat ambivalent postures about crime. They lament its effects on victims and take some public crime-fighting steps while championing criminal justice reform to reduce traditional punishment of those caught breaking the law.

A day before the crime data were released, Newsom [dispatched more California Highway Patrol officers](#) to battle open air drug dealing in San Francisco, a city he once governed as mayor.

In decades past, spikes in crime have had major impacts on California’s political atmosphere – helping Republicans become dominant in the 1980s, for example.

Were crime to continue its currently upward path, it could once again become a game-changing political factor.

**COLAB IN DEPTH
SEE PAGE 29**

**IS CALIFORNIA LISTING TOWARD FAILED
STATE STATUS?**

BY KATY GRIMES

CHANGE MERCHANTS
RULE BY “VIRTUALS” LEADS TO CONSTANT
DISRUPTION
FROM THE CITY JOURNAL MAGAZINE
SPRING 2023

**A CENTURY OF IMPOTENCY: CONSERVATIVE
FAILURE AND THE ADMINISTRATIVE STATE**
*Conservatives have failed to restrain the administrative state because
they have accepted that it is a necessary governmental innovation
required by the complexity of modern society.*
By Theo Wold

THIS WEEK’S HIGHLIGHTS
ALL MEETINGS ARE AT 9:00 AM UNLESS OTHERWISE NOTED

Board of Supervisors Meeting of Tuesday July 11, 2023 (Scheduled)

Item 28 - Request to retroactively authorize the Health Agency Director to apply for the Providing Access and Transforming Health – Capacity and Infrastructure Transition Expansion and Development Initiative Grant for the period of July 1, 2023, through June 30, 2024, in the total amount of up to \$876,768, to provide enhanced care management services to Medi-Cal members under California Advancing and Innovating Medi-Cal. The item provides a sterling example of how government bureaucratized language obfuscates the issue to be remedied and the potential benefits. The write-up states in part:

California Advancing and Innovating Medi-Cal (CalAIM) seeks to improve outcomes of Medi-Cal beneficiaries with the most complex needs, but our ability to deliver these new benefits is dependent upon our capacity to track health outcomes and share data between disparate systems of care. The County Public Health Department (PHD) applied for funding from the Providing Access and Transforming Health- Capacity and Infrastructure Expansion and Development (PATH-CITED) for the period of July 1, 2023, through June 30, 2024, in a total amount not to exceed \$876,768. Due to tight application deadlines the PHD was unable to request permission from the Board to apply before application submission and are requesting retroactive authority to apply. If awarded, this funding will be used for technical infrastructure development to implement CalAIM initiatives. PHD hopes to accomplish this in a multifaceted manner. The objectives are to purchase a cloud based Electronic Health Record (EHR) system to improve clinical documentation, program monitoring and interoperability with other County Information Technology (IT) systems, such as the Homeless Information Management System (HMIS), and to continue leading county-wide efforts to connect disparate systems of care by establishing a

Community Information Exchange (CIE). A CIE is a communityled ecosystem comprised of multidisciplinary network partners who use a shared language, resource database, and integrated technology platforms to deliver enhanced community care planning. It facilitates the integration of individual data from multiple partners' data systems to populate a single, longitudinal person record, enables bidirectional closed loop referrals, and provides care coordination alerts.

How many patients will get better?

Item 30 - Request to approve an amendment to the Employment Agreement with John Nilon to serve as County Administrative Officer (CAO) for a period of 12 months. The interim CAO was originally hired on a renewable 3-month contract to provide time for the County to conduct an open search for a permanent CAO. Now the contract is being extended to a full year. This may be a good thing, as the Interim CAO has expressed an intention to reform the County's Budget presentation. This will take some time.

Item 39 - Request to 1) Approve grant allocation agreement with the Business, Consumer Services and Housing Agency's California Interagency Council on Homelessness for the Encampment Resolution Funding Rolling grant in the amount of \$13,361,999, 2) Delegate authority to the Director of Social Services, or designee, to sign grant agreements, amendments, subcontracts, or documents related to the grant award/allocation agreements, and 3) Authorize a budget adjustment of \$13,361,999 to Fund Center 290 – Homeless Services and Affordable Housing by 4/5 vote. The item is significant in that its existence as a State program is an admission that ad hoc homeless campgrounds will continue indefinitely into the future. In other words, the State and localities foresee no permanent solution to the problem. The grant is designed to:

Assist Local Jurisdictions in ensuring the safety and wellness of people experiencing homelessness in encampments.

- *Provide grants to Local Jurisdictions and Continuums of Care to resolve critical encampment concerns and transition individuals into safe and stable housing; and*
- *Encourage a data-informed, coordinated approach to address encampment concerns*

The narrative continues with the kafoozeling statement:

*The Encampment Resolution Funding (ERF) Program will fund actionable, person-centered local proposals **that resolve the experience of unsheltered homelessness** for people residing in encampments. Resolving these experiences of homelessness will necessarily address the safety and wellness of people within encampments, resolve critical encampment concerns, and transition individuals into interim shelter with clear pathways to permanent housing or directly into permanent housing, using data-informed, non-punitive, low-barrier, person-centered, Housing First, and coordinated approaches.*

We wonder what **"resolve the experience of unsheltered homelessness"** means? Perhaps the experience can be made more meaningful. They could set up the sound pods in the camps and serve a Champagne brunch on Sundays?



Proposed Project Budget

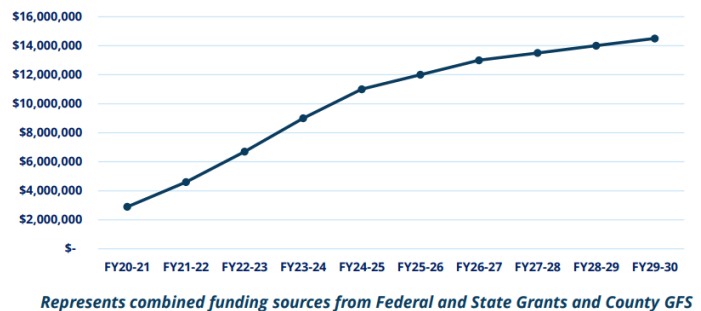
| Project Category | ERF-2 Proposed Budget | Estimated Annual Ongoing Costs - After Expiration of Grant |
|--|-----------------------|--|
| Operation of Welcome Home Village | | |
| Operational Costs | \$2,557,888 | \$1,364,330 |
| Encampment and Outreach Services | | |
| Encampment Cleanup | \$166,120 | \$83,919 |
| Outreach Services | \$334,060 | \$74,485 |
| Construction Costs | | |
| Permanent Housing Units | \$4,500,000 | - |
| Interim Sheltering Units | \$600,000 | - |
| Services Building | \$540,000 | - |
| Development/Construction | \$4,000,000 | - |
| Administration Costs | | |
| Administration | \$663,931 | \$331,965 |
| Total | \$13,361,999 | \$1,854,699 |

Encampment Resolution Fund (R2) – “Welcome Home Village” Project Risk Mitigation – Build the Budget, Balance the Need

Build the Budget – Balance the Need

- Limited number of these ops are needed
- Balance w/street outreach, prevention
- HMIS improvements will help with \$\$
- Continue to identify new sources and braid funding from within
- Will soon shift priority to LI / VLI housing

Homeless Division Funding



MATTERS AFTER 1:30 PM

Item 42 - Submittal of 1) a quarterly update on the PG&E Diablo Canyon Power Plant Decommissioning Project permitting and Environmental Impact Report preparation; and 2) a request to approve and execute Amendment No. 2 to the Special Services consulting

contract with Aspen Environmental Group, Inc., amending the term of the contract to July 13, 2024 and increasing the contract by \$407,378 (\$214,012 plus \$193,366 in contingency), for a total amount not to exceed \$2,465,469, to complete preparation of the Environmental Impact Report and document certification for the PG&E Diablo Canyon Power Plant. The County is running on 2 parallel paths with respect to the future of the Plant.

1. Process the permit to allow demolition and restoration of the site as well as plan for future uses.
2. Hope that the State, Feds, and environmentalists realize that the state-wide electric grid will collapse if the plant is closed. We should hope that instead, it is permitted for another 20 years.

This item pertains to path one and details the current permitting status, which is hung up in the scoping of a massive Environmental Impact Report (EIR). The cost of just scoping the report has now exceeded the budget, and a new \$600,000 is needed to allow the process to continue. PG&E (that means you the rate payer) must fund the permitting process. The overall permitting cost is now estimated at about \$2.5 million. Stay tuned for future increases.

Items 43 - 46 are appeals by neighbors of various land use permits that have been issued by the Planning Department. The appeals all involve single family projects that are opposed by the neighbors. The staff recommends denial of the appeals. Damned, even after you go through the whole process for years.

PAST WEEKS' HIGHLIGHTS
NOTE THAT THE BOARD AND OTHER AGENCIES HAVE BEEN OFF ON SUMMER RECESSES SINCE JUNE 21St
THE ITEMS REPORTED HERE ARE PRIOR TO THE RECESS

Board of Supervisors Meeting of Tuesday, June 20, 2023 (Completed)
NOTE: THIS WAS THE LAST MEETING PRIOR TO THE SUMMER RECESS

Item 3 - Request to: 1) approve a sole source contract for Federal lobbyist and advocacy services with The Ferguson Group, L.L.C. for FY 2023-24 through FY 2025-26, with two one-year options to renew, in the total amount of \$216,000; and 2) delegate authority to the Chief Administrative Officer, or designee, to renew the contract for two additional one-year terms. The item was approved unanimously without discussion or comment on the consent calendar.

Background: The firm has been the County's Washington lobbyist for a number of years. Its main role is advising the County on various grant opportunities and assisting the County to obtain the grants. Its website states in part:

FG devises and implements innovative strategies for appropriations and authorizations and builds on our successes from year to year. Over the course of our history representing local

communities in Washington D.C., we have secured tens of billions of dollars in direct appropriations and project authorizations for our clients. Our work on federal funding issues encompasses supporting funding requests for federal programs and projects that benefit our clients as well as pursuing authorizations for specific client projects. We foster our clients' projects through every step of the process, from project conception to construction. Today, we rank as one of the top federal funding and competitive grants lobbying firms in Washington D.C. representing public agencies.

Item 4 - Request to: 1) approve a sole source contract for State lobbyist and advocacy services with Shaw, Yoder, Antwih, Schmelzer & Lange, Inc. for FY 2023-24 through FY 2025-26, with two one-year options to renew, in the total amount of \$228,088; and 2) delegate authority to the Chief Administrative Officer, or designee, to renew the contract for two additional one-year terms. This item was also approved without question or comment on the consent calendar.

Background: The firm assists the County with its annual legislative program, identifies both positive and negative legislation, and assists the County to identify and capture State revenue and grants. Paul Yoder, one of the founders of the firm, directly assists SLO County. The firm's website states:

PARTNER

PAUL J. YODER

A founding partner in the firm, Paul J. Yoder has earned an impeccable reputation among Sacramento decision makers during his long career as a legislative advocate. Clients praise Paul's vast institutional knowledge, and his propensity for always making them feel like they are his highest priority.

Paul represents dozens of local governmental entities both in legislative and regulatory matters. His duties and experience include drafting legislative language; reviewing, tracking and analyzing bills, laws, and regulations, testifying at hearings; coordinating legislative strategies with other interest groups and related associations; and, maintaining liaison with clients regarding pending legislative issues; and developing strategies to move client interests forward.

After beginning his advocacy career as a lobbyist for the County of San Diego, Paul joined Gerber and Associates, Inc., where he lobbied for many of the firm's public clients, including counties, water agencies, transit agencies, and solid waste interests, as well as the firm's corporate clients. In 1998, Paul joined with Joshua Shaw to acquire Gerber and Associates, Inc. The firm was subsequently renamed Shaw / Yoder, Inc., then Shaw / Yoder / Antwih, Inc. prior to becoming Shaw Yoder Antwih Schmelzer & Lange. Concurrent with these metamorphoses, the firm acquired three other Sacramento lobbying firms and grew itself into a perennial occupant in quarterly Top 10 rankings in California.

Paul holds a Bachelor of Arts degree in English Literature from Yale University. He has completed all the course work towards a Master of Arts degree in Public Policy and Administration, at California State University, Sacramento.

Anyone with a traditional English literature degree from Yale is probably pretty aghast at what is happening in Sacramento.

Item 6 - Request to 1) approve responses to the FY 2022-23 Grand Jury report titled "Inspection Report for San Luis Obispo County Law Enforcement and Detention Facilities"; and 2) forward the responses to the Presiding Judge of the Superior Court by July 18, 2023. The item was approved unanimously on the consent calendar. This was an annual report required by State statute. The Jury's recommendations were fairly minor and practical. Some have already been implemented, and some are in the process of being implemented. Control click on the link below to see the report. It may take a half minute or so to open.

[153232 \(ca.gov\)](#)

The report was very positive per the excerpts below:

As noted in last year's SLOGJ report on detention facilities, the Sheriff's Office continues to achieve recognition for exemplary programs and services across the facilities. In October 2022, for example, the comprehensive health program, including mental health services, received accreditation by the National Commission on Correctional Health Care. In addition, the ongoing bicycle refurbishment program remains a successful component of the Sheriff's Office programming.

The Jail facilities overall were found to be extremely clean, updated to modern standards, and run efficiently. The bathrooms and shower areas have recently undergone notable renovations, and the kitchen area presented as clean and orderly

Item 9 - Request to approve the FY 2023-24 through FY 2027-28 Financial Audit Services agreement with Clifton Larson Allen, LLP in an amount not to exceed \$694,985 (\$133,365 for FY 2023-24) over the five-year term of the agreement to provide professional independent auditing services. This matter was approved unanimously. This contract will provide for the annual audit of the County's financial records in compliance with applicable state and federal laws and generally accepted accounting principles. The Department conducted a competitive request for proposals, which were reviewed by a committee.

Actual contract costs are based on the classification of personnel and number of hours utilized by the contractor as well as out of pocket expenses but shall not exceed the amounts listed below. All costs will be actual costs, so final expenses may be less than the contract cost.

The total "not to exceed" cost of the five-year contract is \$694,985 over five fiscal years from FY 2023-24 through FY 2027-28, as represented in the table below:

| FY | Contract Cost |
|--------------|------------------|
| 23-24 | \$133,365 |
| 24-25 | \$142,330 |
| 25-26 | \$137,430 |
| 26-27 | \$137,430 |
| 27-28 | \$144,430 |
| Total | \$694,985 |

Item 20 - Submittal of a resolution approving 1) increases in employee-paid pension contribution rates and County-paid pension contribution rates based on both the January 1, 2022, Actuarial Valuation report and related recommendations and applicable memoranda of understanding, and 2) amendments to the San Luis Obispo County Employees Retirement Plan appendices. The matter was approved unanimously on the Consent calendar.

The rates are up an average of 2.8%. The item does not reveal the estimated increased cost to the budget. Unfunded liability increased from \$806.8 million to \$878.8 million.

| Table I-2 | |
|--|------------------|
| Change in Unfunded Actuarial Liability (UAL) | |
| (in thousands) | |
| Unfunded Actuarial Liability, January 1, 2021 | \$ 806,858 |
| Expected change in Unfunded Actuarial Liability | (8,079) |
| Decrease due to actuarial asset gain | (39,343) |
| Increase due to liability loss | 31,692 |
| Increase due to contribution timing delay and expense: | 9,568 |
| Increase due to assumption changes | 78,054 |
| Total UAL change | \$ 71,892 |
| Unfunded Actuarial Liability, January 1, 2022 | \$ 878,750 |

| Employee Association | Bargaining Unit (BU) and Description | Full Pension Rate Increase | Employee Share of Increase | County Share of Increase |
|---|--|---|---|---|
| District Attorney Investigators Association (DAIA) | BU06, District Attorney Investigators' Unit and District Attorney Investigators' Supervisory Unit | All Tiers: 2.92% | All Tiers: 0.0% | All Tiers: 2.92% |
| Deputy County Counsel Association (DCCA) | BU12, Deputy County Counsel Attorneys | All Tiers: 2.38% | Tiers 1 & 2: 1.00% Tier 3: 0% | Tiers 1 & 2: 1.38% Tier 3: 2.38% |
| Deputy Sheriffs' Association (DSA) | BU03, Law Enforcement Unit BU14, Supervisory Law Enforcement Unit BU21, Non-Safety Law Enforcement Unit BU22, Dispatcher Unit | All Tiers: 2.92% (Safety) 2.38% (Misc.) | All Tiers: 0.0% (Safety) 0.0% (Misc.) | All Tiers: 2.92% (Safety) 2.38% (Misc.) |
| Sworn Deputy Sheriffs Association (SDSA) | BU27, Sworn Law Enforcement Unit BU28, Sworn Law Enforcement Supervisory Unit | All Tiers: 2.92% | All Tiers: 0.0% | All Tiers: 2.92% |
| San Luis Obispo County Employees' Association (SLOCEA) "Big Unit" | BU01, Public Services Unit BU05, Supervisory Unit BU13, Clerical Unit | All Tiers: 2.38% | All Tiers: 0.00% | All Tiers: 2.38% |

| | | | | |
|---|---|--|---|--|
| San Luis Obispo County Employees' Association (SLOCEA) "Trades Unit" | BU02, Trades, Crafts, and Services Unit | All Tiers: 2.38% | All Tiers: 0.00% | All Tiers: 2.38% |
| San Luis Obispo County Probation Peace Officers' Association (SLOCPPOA) | BU31, Probation Unit BU32, Probation Supervisory Unit | All Tiers: 5.08% | All Tiers: 0.00% | All Tiers: 5.08% |
| San Luis Obispo County Sheriffs Managers' Association (SLOCSMA) | BU15, Sheriff's Management | All Tiers: 2.92% | All Tiers: 0.0% | All Tiers: 2.92% |
| San Luis Obispo Prosecutors' Association (SLOPA) | BU04, Deputy District Attorneys | All Tiers: 2.38% | Tiers 1 & 2: 1.19% Tier 3: 0% | Tiers 1 & 2: 1.19% Tier 3: 2.38% |
| Unrepresented Employees and Board of Supervisors | BU07, Operations/Staff Management BU08, General Management BU09, Appointed Department Heads BU10, Elected Department Heads BU11, Confidential BU16, General Management Law Enforcement BU17, Board of Supervisors | All Tiers: 2.38% (Misc.) 2.92% (Safety) 5.08% (Prob.) | All Tiers: 0.0% (Misc.) 0.0% (Safety) 0.0% (Prob.) | All Tiers: 2.38% (Misc.) 2.92% (Safety) 5.08% (Prob.) |

Item 34 - Submittal of a resolution proclaiming June 2023 as LGBTQ+ Pride Month in the County of San Luis Obispo. The Resolution was approved 3/2 with Supervisors Arnold and Peschong dissenting. During public comment on the item, Grover Beach businesswoman Stacey Koresgdagen and former Board of Supervisors candidate pointed out that it was time to get beyond such virtue signaling by government officials, as gay people have achieved wide acceptance and recognition. Having government bodies continue to single out the group for recognition is actually passe and calculated to generate prejudice. Koresgdagen cited the fact that she is gay and married to a woman and thus is personally and professionally expert on the progress of the issue.

Supervisor Arnold expressed a desire to remove some of the wording of the Resolution which she viewed as divisive.

RESOLUTION NO. _____

RESOLUTION CONDEMNING RACISM, BIGOTRY, BIAS AND HATE SPEECH IN OUR COMMUNITY

The following resolution is hereby offered and read:

WHEREAS, the County of San Luis Obispo Board of Supervisors ("Board") unequivocally values diversity, equity, and inclusion of all community members, regardless of race, color, national origin, ancestry, religion, sex, gender, gender identity or expression, sexual orientation, age, disability, or any other protected characteristic; and

~~**WHEREAS**, the Board is committed to protecting and fostering these values;~~

~~**WHEREAS**, the County has observed instances of hate and bigotry on the Vinyard Drive freeway overpass in Templeton, including the recent display of a banner supporting white supremacy. These disturbing expressions of racism have no place in San Luis Obispo County, and have shocked the conscience of the Board of Supervisors and the community we serve; and~~

~~**WHEREAS**, the Board is committed to ending discrimination and harassment based on race, color, religion, national origin, ancestry, sex, gender, gender identity or expression, sexual orientation, age, disability, or any other protected characteristic; and~~

WHEREAS, the Board wishes to affirm its commitment to cultivating an inclusive community that celebrates the diversity of its constituents; and

WHEREAS, the Board supports the peaceful exercise of free speech, while also condemning racism, white supremacy, hate speech, bigotry, violence, and prejudice in any form.

NOW, THEREFORE, BE IT RESOLVED by this Board of Supervisors of San Luis Obispo County

Several public speakers who were present to receive the Resolution behalf of the gay community disagreed and criticized Arnold for her effort. Of course, Supervisors Gibson and Paulding piled on roundly criticizing Arnold in strong terms. Further, this very response confirmed what both Koresgaden and Arnold were communicating about divisiveness.

The wording of the Resolution that was actually discussed and ultimately approved (version above) is different from the one in the agenda packet (below). The Resolution that was approved harkened back to the incidents where some extremists from out of the county were posting hate materials on a highway bridge in Templeton. Those materials were directed at a variety of groups.

Of course, the most severe discrimination operative currently in the County is against small farmers and homeowners in the Paso Water Basin. The Board majority, which is all up in arms over the gay issue here, actually repealed an ordinance that attempted to give those small users water equity. No doubt the fact that they are predominantly white, middle class, and not part of the corporate elite underscored that decision.

As the scope of sexual tolerance and variety expands into new and exciting realms, why can't we get government and especially law enforcement out of the picture?

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

_____ day _____, 2023

PRESENT: Supervisors

ABSENT:

RESOLUTION NO. _____

**RESOLUTION PROCLAIMING JUNE 2023 AS LGBTQ+ PRIDE MONTH
IN THE COUNTY OF SAN LUIS OBISPO**

WHEREAS, this nation was founded on the principle that every individual has infinite dignity and worth, and the Board of Supervisors calls upon community members to embrace this principle and work to eliminate prejudice everywhere it exists; and

WHEREAS, Pride began as a protest against profiling and violence targeting members of the LGBTQ+ community; and

WHEREAS, lesbian, gay, bisexual, transgender, and otherwise queer people continue to experience these harms even now; and

WHEREAS, LGBTQ+ people have historically struggled to find others like themselves in media and the public, and Pride serves as a crucial time of visibility and community; and

WHEREAS, recognition from one's government is crucial for feeling safe in one's community; and

WHEREAS, human beings deserve not merely the tools for survival but also the opportunity to pursue joy; and

WHEREAS, celebrating Pride month is a cornerstone of American culture that allows us to lift up our successes while working toward a better, more inclusive, equitable future.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of San Luis Obispo, State of California, hereby proclaims the month of June 2023 as Pride Month in support of the LGBTQ+ community.

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call vote, to-wit:

See the article below which explores some issues beyond gayness. Are conservatives psyched out?

**WHY CONSERVATIVES KEEP BENDING THE
KNEE TO GAY RIGHTS**

Clement J. Harrold

Buoyed by the successful Bud Light boycott and Target's removal of Pride-themed merchandise due to customer backlash, many conservatives are feeling more hopeful than they have in a while. *Folks are finally waking up to all this transgender insanity. Ordinary Americans aren't going to stand for this nonsense any longer.* Or so we tell ourselves over a hearty can of Coors Light. But without a return to God-centered, family-first conservatism, the moral and spiritual health of our culture will continue to decline, even if we pull off the occasional victory.

In this light, Sen. Ted Cruz's recent intervention in the controversy over Uganda's new laws against sodomy—aimed at curbing homosexual rape and the spread of STDs—is emblematic of a much wider crisis. Instead of using this occasion to call out the West's ideological colonization of the developing world, the Texan senator tweeted that he condemned the African nation's laws: “This Uganda law is horrific & wrong. . . . ALL civilized nations should join together in condemning this human rights abuse. #LGBTQ.”

To be sure, the main problem is not that Cruz deems the Ugandan laws too strict. That is a reasonable stance for conservatives to take. The issue here is Cruz's full-throated embrace of an outdated conservatism that idolizes individual autonomy at the expense of the culture's moral and spiritual health. By paying lip service to the powerful gay lobby, which seeks to annihilate traditional values, Cruz is just another symptom of the moral compromise that pervades today's conservatism.

Of course, none of this is surprising. Beaten down by our pagan culture's evangelism, many of us have been bullied or cajoled into accepting the new status quo. As the historian Christopher Dawson observed, man's communitarian instinct is stronger than his humanitarian impulse. Human beings love to be liked, and conservatives are no exception.

In this political climate of fear, we face a critical choice. Embrace a half-hearted conservatism that concedes the culture war from the outset, or reject moral compromise and champion first principles. The latter path by no means guarantees success in every battle, but it is the only approach that could win the war. Along with conviction, introspection is needed: If conservatives want to win, they must ask themselves some pertinent and uncomfortable questions.

For instance, they should consider that maybe the reason the same-sex marriage debate was lost before it began was due to the hypocrisy that is the trademark of the mainstream conservative stance on marriage and family: offer flowery platitudes about the value of children here, allude to the importance of tradition for tradition's sake there. But under no circumstances state the truth: that no society can flourish in the absence of a healthy marriage culture that privileges the rearing of children within the lifelong union of their biological mother and father.

Stating the truth means accepting that a child deserves a mommy and a daddy; and, moreover, that daddy can't be a mummy, and a mummy can't be a daddy. But it is also more than that. It means understanding that a little girl deserves not just her mummy and daddy, but an entire culture dedicated to giving her parents the best possible chance of staying together for life and remaining faithful to their sacred task of ensuring her health and well-being.

It means recognizing, too, that the law occupies a profoundly pedagogical role in our lives, and for this reason should discriminate between those unions that are essential for the formation of the next generation and those that are not. The truth includes the acknowledging that introducing no-fault divorce was a travesty, and in many ways redefined marriage more drastically than *Obergefell vs. Hodges*.

None of this is even on the radar of many of today's conservative elites. As often as not, they have been through a divorce themselves, and the compromise that marks their personal lives renders them reticent about standing up for traditional marriage. The consequence has been that most conservative influencers seek to move on from same-sex marriage as quickly as possible. Battle lines have been redrawn, the tent broadened, and now—they loudly proclaim—we can get back to promoting the free market and taking on the really crazy leftist proposals. Sure, the institution of marriage might be an unfortunate piece of collateral damage in the fight, but at least we won't give an inch on this transgender nonsense.

Or will we? As it turns out, when you don't defend the bedrock of civilization, your attempts to safeguard the rest of the culture become less effective. The transgender movement's erasure of sexual difference is merely the continuation of a much older project—a project in which many conservatives have been complicit, whether through their reluctance to discuss divorce, their acceptance of *Obergefell*, or their approval of the (so-called) Respect for Marriage Act last year.

Gay commentators on the right—eloquent but ultimately compromised figures such as Douglas Murray, Dave Rubin, and Spencer Klavan—are therefore not the originators but the heirs of this mainstream “conservatism” that rejects the truth that God made us male and female with a creative intent that affects our sexuality and how we are to live our lives. With its careless acceptance of the breakdown of marriage culture and its casual celebration of gay unions, this new conservatism has helped usher in societal confusion about human nature.

One of the results is that the trans activists smell conservative blood. They intuit what we fail to see, which is that the LG cannot so easily be separated from the BT. They instinctively sense that today's conservatism is, more often than not, compromised to its core. This conservatism argues with a straight face that mommies and daddies are interchangeable while simultaneously ridiculing people who claim to switch genders; this conservatism has undermined family, abandoned faith, ignored first principles. In short, it is ripe for destruction.

We must learn the lessons of a bruising last few decades. We are all fallen and we all mess up. It is by the help of divine aid that we pick ourselves back up and begin anew. Instead of pride, we should celebrate humility instead: that radical virtue that seeks wisdom in tradition, learns from past mistakes, and bends the knee before the Almighty.

Clement J. Harrold is a graduate student in theology at the University of Notre Dame. This article appeared in First Things on July 6, 2023. First Things is a prominent Catholic oriented journal of Religion and Public Life.

Item 38 - Request to consider the annual Cannabis Business Tax Rate for Fiscal Year 2023-24 and, if necessary, adopt the proposed resolution to maintain the Cannabis Business

Tax Rate at 8% of gross receipts for the next fiscal year. The Board held a lengthy discussion and heard extensive public comment from the industry. It also heard from the Auditor Controller that the costs of administering the regulatory program exceed the revenues from the Cannabis Tax. There are only about 15 acres under cultivation in the County, and retail dispensaries are not allowed under the current ordinance. The accumulative State and County fees and taxes as well as the long and difficult permitting process have driven potential applicants off and Have even caused some who were in the process to withdraw.

The Board did determine to the reduce the tax from the current year, 8% to 6%. It also prevented it from rising to a scheduled 10% slated for next year.

Staff was given direction to analyze the situation and to return in the fall with recommendations.

Background: The tax is on automatic pilot to increase from 8% to 10% on July 1st. The County's hopes for a robust industry and commensurate taxes have not materialized. The failure is due to a combination of over-supply, a lengthy and costly permitting process, an overbearing and costly annual relicensing process, high fees, high taxes, and the consequent expansion a competitive black market. The industry has requested that the Board take action to prevent the automatic increase to 10%.

During the June 6, 2023, Board of Supervisors meeting, staff was directed to schedule an item for your Board to discuss the Cannabis Business Tax (CBT) rate and the automatically scheduled rate increase from 8% of gross receipts to 10% on July 1, 2023. Section 3.05.050 of County Code establishes the automatic rate increase schedule and also grants discretion to your Board to maintain or decrease the current CBT rate for the next fiscal year by a 3/5ths vote

FINANCIAL CONSIDERATIONS

If the proposed resolution is approved, it is anticipated that forecasted CBT revenue, which had been forecasted based on the scheduled increase to a 10% rate, will be reduced. The FY 2023-24 Recommended Budget includes \$645,000 in Cannabis Business Tax Revenue assuming a rate of 10% and total gross receipts of \$6.45 million. At the current rate of 8% and projecting the same total gross receipt amount, it is anticipated that the Cannabis Business Tax Revenue would generate \$516,000 or \$129,000 less than what was recommended in the FY 2023-24 budget.

Some Questions:

1. Is the County continuing to lose money overall in its foray into the world of cannabis (after regulatory and enforcement costs)? The answer turned out to be a resounding yes. The 2 tables below are examples of how the County builds up its extensive fees:

Sheriff-Coroner Fees (Cannabis)
Fee Analysis for 2022-23

Cost Base Using Fiscal Year 2021-22 BFM Salary Rate and Current Indirect Cost Rate Proposal (ICRP)

| | Employee Class | Pay Rate BFM | Productive Rate (1800/Hrs) | Benefits 64.50% Rate Updated 8/5/21 | ICRP 32.17% | Productive Rate + Ben + ICRP | Hours | Total Cost | Prior Year Cost | % Cost Increase Over Prior Year | EXISTING 21/22 RATE | PROPOSED 22/23 RATE | % Rate Increase Over Prior Year |
|--|----------------|--------------|----------------------------|--|-------------|------------------------------|-------|--------------------|-------------------|---------------------------------|---------------------|---------------------|---------------------------------|
| 7001 - Cannabis Business License Background | | | | | | | | | | | | | |
| Appointment with potential business licensee where application, CLETS/CJIS reports, live scan results, and other applicable documents are collected and compiled into a file for Detectives review. File is periodically updated throughout the process for tracking purposes. | | | | | | | | | | | | | |
| | Legal Clerk | \$26.87 | \$31.05 | \$20.03 | \$9.99 | \$61.07 | 2.62 | \$159.99 | | | | | |
| Criminal history analyzed and compared to personal history statement. Discrepancies between the two researched and explained or could be the basis for disqualification. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 16.00 | \$1,843.91 | | | | | |
| Confirmation applicant is eligible to be issued a license (per county code requirements) and that all required paperwork was properly filled out and submitted. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 7.50 | \$864.33 | | | | | |
| Second review of required paperwork | | | | | | | | | | | | | |
| | Sergeant | \$61.92 | \$71.55 | \$46.15 | \$23.02 | \$140.72 | 0.50 | \$70.36 | | | | | |
| Each applicant in the application undergoes a thorough background check using the listed resources (RMS, CLETS, Open Source, other agency police reports). | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 12.00 | \$1,382.93 | | | | | |
| Compiling and analyzing the above sourced information and determining if any problem areas exist or any basis for disqualification of each applicant exists. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 10.00 | \$1,152.44 | | | | | |
| Question and answer session with each applicant concerning their role in the business, specifics of the business, their background, etc. Done via phone or in person. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 10.00 | \$1,152.44 | | | | | |
| A visit to the site of the proposed business to determine feasibility, potential issues with neighbors or other businesses. Applicant usually present to explain site specifics. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 5.00 | \$576.22 | | | | | |
| Business security plan is submitted with the application and must be reviewed to determine compliance with State and Local Cannabis security requirements. Other issues reviewed like fencing, cameras, and lighting. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 5.00 | \$576.22 | | | | | |
| Neighborhood surrounding proposed business is canvassed by Detective to determine compatibility with the neighborhood and any opposition to the proposed business. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 8.00 | \$921.95 | | | | | |
| Answer any of their questions. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 7.00 | \$806.71 | | | | | |
| Report is completed by Detective in memorandum form addressed to the Undersheriff that incorporates all data listed above and concludes with a recommendation of approval or denial for the application | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 7.00 | \$806.71 | | | | | |
| Report reviewed and submitted to the Undersheriff for approval. | | | | | | | | | | | | | |
| | Sergeant | \$61.92 | \$71.55 | \$46.15 | \$23.02 | \$140.72 | 1.00 | \$140.72 | | | | | |
| Final walk through completed once the business infrastructure has been completed and confirms that infrastructure conforms to site and security plan before final sign off is given and business becomes operational. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 4.00 | \$460.98 | | | | | |
| Final walk through completed once the business infrastructure has been completed and confirms that infrastructure conforms to site and security plan before final sign off is given and business becomes operational. | | | | | | | | | | | | | |
| | Sergeant | \$61.92 | \$71.55 | \$46.15 | \$23.02 | \$140.72 | 4.00 | \$562.89 | | | | | |
| TOTAL | | | | | | | | \$10,672.10 | \$8,991.76 | 18.69% | \$8,992.00 | \$10,672.00 | 18.68% |

Sheriff-Coroner Fees (Cannabis)
Fee Analysis for 2022-23

Cost Base Using Fiscal Year 2021-22 BFM Salary Rate and Current Indirect Cost Rate Proposal (ICRP)

| | Employee Class | Pay Rate BFM | Productive Rate (1800/Hrs) | Benefits 64.50% Rate Updated 8/5/21 | ICRP 32.17% | Productive Rate + Ben + ICRP | Hours | Total Cost | Prior Year Cost | % Cost Increase Over Prior Year | EXISTING 21/22 RATE | PROPOSED 22/23 RATE | % Rate Increase Over Prior Year |
|--|----------------|--------------|----------------------------|--|-------------|------------------------------|-------|--------------------|-------------------|---------------------------------|---------------------|---------------------|---------------------------------|
| 7001 - Cannabis Business License Background | | | | | | | | | | | | | |
| Appointment with potential business licensee where application, CLETS/CJIS reports, live scan results, and other applicable documents are collected and compiled into a file for Detectives review. File is periodically updated throughout the process for tracking purposes. | | | | | | | | | | | | | |
| | Legal Clerk | \$26.87 | \$31.05 | \$20.03 | \$9.99 | \$61.07 | 2.62 | \$159.99 | | | | | |
| Criminal history analyzed and compared to personal history statement. Discrepancies between the two researched and explained or could be the basis for disqualification. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 16.00 | \$1,843.91 | | | | | |
| Confirmation applicant is eligible to be issued a license (per county code requirements) and that all required paperwork was properly filled out and submitted. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 7.50 | \$864.33 | | | | | |
| Second review of required paperwork | | | | | | | | | | | | | |
| | Sergeant | \$61.92 | \$71.55 | \$46.15 | \$23.02 | \$140.72 | 0.50 | \$70.36 | | | | | |
| Each applicant in the application undergoes a thorough background check using the listed resources (RMS, CLETS, Open Source, other agency police reports). | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 12.00 | \$1,382.93 | | | | | |
| Compiling and analyzing the above sourced information and determining if any problem areas exist or any basis for disqualification of each applicant exists. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 10.00 | \$1,152.44 | | | | | |
| Question and answer session with each applicant concerning their role in the business, specifics of the business, their background, etc. Done via phone or in person. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 10.00 | \$1,152.44 | | | | | |
| A visit to the site of the proposed business to determine feasibility, potential issues with neighbors or other businesses. Applicant usually present to explain site specifics. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 5.00 | \$576.22 | | | | | |
| Business security plan is submitted with the application and must be reviewed to determine compliance with State and Local Cannabis security requirements. Other issues reviewed like fencing, cameras, and lighting. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 5.00 | \$576.22 | | | | | |
| Neighborhood surrounding proposed business is canvassed by Detective to determine compatibility with the neighborhood and any opposition to the proposed business. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 8.00 | \$921.95 | | | | | |
| Answer any of their questions. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 7.00 | \$806.71 | | | | | |
| Report is completed by Detective in memorandum form addressed to the Undersheriff that incorporates all data listed above and concludes with a recommendation of approval or denial for the application | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 7.00 | \$806.71 | | | | | |
| Report reviewed and submitted to the Undersheriff for approval. | | | | | | | | | | | | | |
| | Sergeant | \$61.92 | \$71.55 | \$46.15 | \$23.02 | \$140.72 | 1.00 | \$140.72 | | | | | |
| Final walk through completed once the business infrastructure has been completed and confirms that infrastructure conforms to site and security plan before final sign off is given and business becomes operational. | | | | | | | | | | | | | |
| | Detective | \$50.71 | \$58.60 | \$37.80 | \$18.85 | \$115.24 | 4.00 | \$460.98 | | | | | |
| Final walk through completed once the business infrastructure has been completed and confirms that infrastructure conforms to site and security plan before final sign off is given and business becomes operational. | | | | | | | | | | | | | |
| | Sergeant | \$61.92 | \$71.55 | \$46.15 | \$23.02 | \$140.72 | 4.00 | \$562.89 | | | | | |
| TOTAL | | | | | | | | \$10,672.10 | \$8,991.76 | 18.69% | \$8,992.00 | \$10,672.00 | 18.68% |

2. What would the County Superintendent of Schools, the Sheriff, and the Behavioral Health Director say about the impact of legalization to date? Significantly, the Board has neglected to ask its staff experts for an update on the impacts.



Cheach and Chong in a scene from Up in Smoke

Item 39 - Hearing to consider an ordinance amending Section 2.44.070 of the County Code regarding holidays and time off. The Board voted unanimously to supplant Native American Day for Columbus day. The County is catching up with the City of Berkeley, which established Indigenous People's Day back in 1990, 33 years ago.

The Board avoided the cultural discussion, as the item was presented as an effort to realign the holiday with the State Court system's prior action of eliminating Columbus Day in favor of Native American Day, which occurs in September verses October, for Columbus Day.

In presenting the matter, the item was cast as a technical amendment to all of the County's labor contracts to enable law enforcement and the courts to have the same holiday schedule. There is no analysis of the relative social and historical background. Apparently, the action was supported by the County's unions, as it is reported that they all agree.

Contrast this with our Woke idiots who are tearing down our monuments and cancelling important historical heroes on the basis of current political ideology.

Item 40 - Hearing to consider adoption of the Fiscal Year (FY) 2023-24 Recommended Budget including: 1) a resolution adopting budgets for the County and Board of Supervisors governed Special Districts; and 2) a resolution adopting the FY 2023-24. The Budget was approved 4/1 with Supervisor Arnold dissenting. She noted that she had disagreed with the priorities throughout the process. She also noted that the Budget is expansionary and that it contains a deficit of \$5 million this year, and that a substantial deficit is forecast for next year.

Item 41 - Closed Session - PERSONNEL (Government Code section 54957.) It is the intention of the Board to meet in closed session to: (16) Consider Public Employee Annual Performance Evaluation for the Position of Interim County Administrative Officer. The County Counsel reported after the meeting that the Board took no reportable action. Ironically, this week's Agenda (see **Item 30**, above) contains an item which will extend Interim CAO John Nilons contract from a 3-month renewable contract to a one-year contract extending to next May 1, 2024. If this was tentatively approved in closed session, it should have been reported.

It is not known if there will be a recruitment for a permanent CAO, given this development. In any case, the appointment is now less interim. Perhaps the Board majority wishes to retain Nilon as a permanent CAO without going through a competitive recruitment.

Background: The week after the Interim CAO was appointed, the Board held a performance review. We assumed they were giving him direction and/or information on various department heads and/or perhaps future policy. The latter would be illegal, as policy should be developed in the open meetings.

Now after a month, the Item is back on. It can't be an annual performance review because he hasn't been here for one year yet, just one month. Is the item a lie? They seemed quite pleased with him during the Budget hearing.

Matters After 1:30 PM

Item 42 - Receive and file an update on the Tri-County Regional Energy Network's (3C-REN) program metrics from 2019 to 2022, review of current programs, and overview of proposed future programs. The report was presented by staffers and received by the Board.

This is yet another program financed by your electric rates, as PG&E and SCE are compelled by law to provide funding for the program to the Public Utilities Commission, which in turn provides grants to the counties.

The Tri-County Regional Energy Network (3C-REN) is a partnership between the Counties of San Luis Obispo, Santa Barbara, and Ventura established to deliver energy-saving programs and industry trainings that help reduce Page 3 of 6 energy use, strengthen local job markets, and support efforts to achieve climate goals. Currently, 3C-REN's primary focus is providing services for homeowners, renters/rental property owners, and both public and private building professionals, via three programs. The three programs are each delivered by a leading county, and its staff, who are responsible for delivering and coordinating programming across this region. Program assignments are as follows: -

*Workforce Education and Training – County of Ventura –
Residential Direct Install – County of Santa Barbara –
Codes and Standards – County of San Luis Obispo*

What is a Regional Energy Network (REN)?

- RENs are new administrators – as opposed to Investor-Owned Utilities (IOU) – of energy efficiency programs authorized by the CPUC to draw on the capacity and innovative ideas of local governments
- RENs receive “rate payer” funding to administer programs in specified territories
- RENs are recognized by the CPUC and others for their unique ability to:
 - Understand regional needs and fill gaps
 - Serve “Hard to Reach” communities
 - Provide holistic solutions for customers

The report does not indicate how many dollars have been raked off from PG&E rate payers for the program. Any CO₂ savings achieved is a meaningless drop in the bucket compared with the growth of CO₂ from Asian industrial expansion, forest fires, volcanos, and ocean oil and gas seeps. This is yet another virtue signaling patronage program for elected officials to pretend as if they are accomplishing something.

Item 44 - Board Member Comments and Reports on Meetings.

This is a new feature added to the agenda, which would appear to be a regular item on all future agendas. There is no write-up. Will the public be allowed to comment on whatever the Supervisors bring up? For example, Supervisor x reports he met with a radical health group and now thinks we should ban beef or whatever? As predicted, Supervisor Gibson used the recurring item to pontificate about all the “wonderful” conniving he is doing in Sacramento. Supervisor Paulding had received inquiries about how the report and the subject matter related to the Brown act. After all, the public will have no idea what’s coming up. Paulding and County Counsel pointed out that if the Board gives any direction, for example, to conduct a study or to agendize a matter, a motion supported by 3 votes will be required.

SLO County Air Pollution Control District APCD Meeting of Wednesday, June 21, 2023 (Completed)

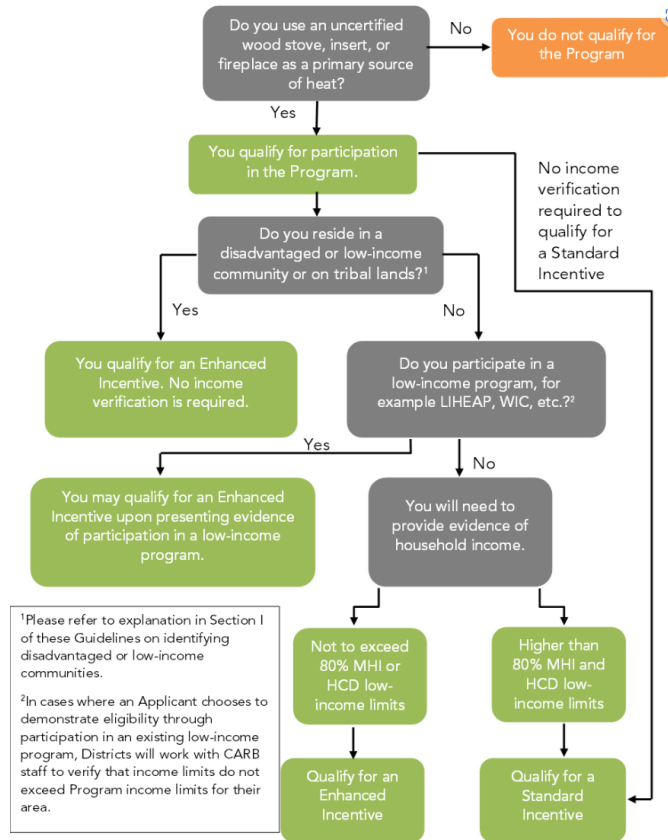
Item A-7: Request to approve APCD participation in the state Wood smoke Reduction Program. Recommendation: Approve APCD participation in the Wood smoke Reduction program and authorize the APCO to enter into all grant agreements and authorization forms necessary to implement the Programs. Currently the program is voluntary, but ultimately they want to ban your wood burning fireplace. The write up states in part:

State Wood smoke Reduction Program: The Program is part of the California Climate Investments, a statewide program that invests California Cap-and-Trade dollars from emission sources to reduce greenhouse gas emissions (GHG), strengthen the economy and improve public health and the environment. The Program is administered by CARB and implemented by the California Air Pollution Control Officers’ Association (CAPCOA) in partnership with local air

districts. The role of CAPCOA is to centralize and standardize Program implementation. The Program offers financial incentives for homeowners countywide to replace old, inefficient, and highly polluting wood stoves, wood inserts, or fireplaces with cleaner burning and more efficient home heating devices to reduce GHGs, criteria pollutants, and air toxics.

This is just the first step. The Bay Area Air Pollution Control District already bans fireplace burns on many days in the winter.

Just another brick in the wall.



Item B-1-3: Hearing to adopt the District’s Fiscal Year 2023-2024 Final Budget. The Budget is pretty much status quo and geared to the State mandated functions of Air Districts.



Millions distrust the SLO APCD

**AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN LUIS OBISPO
SUMMARY BUDGET REQUEST - FY 2023-2024**

06/21/23

| | BUDGET 2022-23 | ESTIMATED 2022-23 | REQUESTED 2023-24 |
|---|---------------------|-----------------------|----------------------|
| REVENUES | | | |
| Property Taxes | \$ 431,656 | \$ 452,811 | \$ 454,736 |
| Operating & Authority to Construct Permits | 1,596,000 | 1,657,295 | 1,800,000 |
| Other District Fees (Asbestos, Environ Assess, Burn Fees) | 278,304 | 347,072 | 323,304 |
| Mutual Settlements | 75,000 | 135,000 | 80,000 |
| Interest Revenue | 20,000 | 51,045 | 50,000 |
| DMV Air Fees | 1,080,000 | 1,086,998 | 1,080,000 |
| State & Federal Aid | 816,233 | 756,547 | 311,350 |
| Other Govt Aid | 16,355 | 16,355 | 0 |
| Other Sales & Miscellaneous Revenues | 15,203 | 15,982 | 15,353 |
| Cancelled Reserves & Designations | 0 | 0 | 240,407 |
| Fund Balance From Prior Year | 1,611,377 | 1,611,377 | 1,226,249 |
| Encumbrance Reserve From Prior Year | 33,051 | 33,051 | 0 |
| TOTAL FINANCING | \$ 5,973,179 | \$ 6,163,533 | \$ 5,581,399 |
| EXPENDITURES | | | |
| Salaries, Benefits, & Taxes | \$ 4,326,593 | \$ 3,857,987 | \$ 4,304,399 |
| Communications - Phones, Mail | 33,440 | 29,102 | 34,440 |
| Computers, Software, & Support | 149,400 | 95,510 | 153,370 |
| County Services (excluding Computer Support) | 92,235 | 87,107 | 112,087 |
| Insurance | 67,000 | 65,500 | 71,000 |
| Leases & Rents | 7,600 | 3,600 | 4,000 |
| Maintenance - Equipment & Facilities | 175,509 | 127,408 | 159,370 |
| Office Supplies & Copies | 33,786 | 15,336 | 39,836 |
| Other Department Expenses | 20,390 | 36,337 | 20,570 |
| Professional Services | 421,939 | 230,709 | 261,300 |
| Public Outreach & Education | 54,100 | 42,600 | 46,500 |
| Training & Travel | 55,442 | 30,545 | 51,442 |
| Utilities | 21,410 | 18,107 | 21,500 |
| Vehicles - Maintenance & Fuel | 24,400 | 21,106 | 24,400 |
| Subtotal - Services & Supplies | 1,156,651 | 802,967 | 999,815 |
| Other Charges / Contributions to Other Agencies | 6,000 | 1,000 | 2,000 |
| Fixed Assets | 213,261 | 159,362 | 98,200 |
| Contingencies | 154,706 | 0 | 162,132 |
| Increased Reserves & Designations | 115,968 | 115,968 | 14,853 |
| TOTAL EXPENDITURES | 5,973,179 | 4,937,284 | 5,581,399 |
| Net District Cost | \$ - | \$ (1,226,249) | \$ - |

AIR POLLUTION CONTROL DISTRICT
 COUNTY OF SAN LUIS OBISPO
 FY 2023-2024 PROPOSED BUDGET

POSITION ALLOCATION LIST

| Job Class | Title | Part Time | Current Alloc. | 2023-2024 Request | Change |
|-----------|--|-----------|----------------|-------------------|-------------|
| 0839 | Air Quality Specialist I/II/III* | | 8.00 | 9.00 | +1.00 |
| 0840 | Supervising Air Quality Specialist | | 1.00 | 0.00 | -1.00 |
| 0841 | Air Pollution Control Engineer I/II/III* | | 2.00 | 2.00 | 0.00 |
| 3100 | Administrative Assistant I/II/III* | | 3.00 | 3.00 | 0.00 |
| 3103 | Systems Administrator I/II/III* | | 1.00 | 1.00 | 0.00 |
| 300252 | Senior Air Quality Scientist | | 1.00 | 1.00 | 0.00 |
| 3093 | Air Pollution Control Officer | | 1.00 | 1.00 | 0.00 |
| 3096 | Division Manager | | 2.00 | 2.00 | 0.00 |
| 4001 | Fiscal/Administrative Division Manager | | 1.00 | 1.00 | 0.00 |
| 4002 | Administrative Supervisor/Clerk of the Board | | <u>1.00</u> | <u>1.00</u> | <u>0.00</u> |
| TOTAL: | | | <u>21.00</u> | <u>21.00</u> | <u>0.00</u> |

Item B-2-2: Employment Contract modification for the Air Pollution Control Officer. The APCO’s contract would be extended for 2 years, and his salary rises to \$228,000 per year. The write-up does not list his current salary. His vacation would be increased from 20 to 25 days per year.

Central Coast Community Energy Authority Board Meeting of Wednesday, June 21, 2023 (Completed) 1:30 PM

Item 3 - 2022 Independent Audit. The agency received a clean bill of health with no violations of accounting procedures and no reportable discrepancies.

One significant aspect of the audit is the listing of 3CE’s long term energy contract obligations, listed below:

PURCHASE COMMITMENTS POWER AND ELECTRIC CAPACITY

In the ordinary course of business, 3CE enters into power purchase agreements to acquire energy and electric capacity. The price and volume of purchased power is largely fixed. Variable priced power, which is a small part of 3CE’s portfolio, is generally linked to the market price of either natural gas or power at the date of delivery. Variable volume is generally associated with contracts to purchase energy from resources with varying availability and production, such as solar, wind and hydroelectric facilities. 3CE enters into long-term power purchase agreements to ensure stable competitive rates for its customers and to comply with state law and voluntary targets for renewable and greenhouse gas (GHG) free products. The following table represents the expected, undiscounted, contractual obligations outstanding as of September 30, 2022:

| Year ending September 30, | |
|---------------------------|-------------------------|
| 2023 | \$ 304,000,000 |
| 2024 | 236,000,000 |
| 2025 | 156,000,000 |
| 2026 | 141,000,000 |
| 2027 | 136,000,000 |
| 2028-2053 | <u>2,280,000,000</u> |
| Total | <u>\$ 3,253,000,000</u> |

The contracts, extending out to 2053, seem risky in that vast technological changes and economic changes are likely to occur in the decades ahead. What if these energy contracts become obsolete (new technologies result in other producers which are much lower cost), or are unfulfillable? Is all this a policy of mortgaging the future to obtain lower rates today?

Item 13 - CEO's Report. The 3CE's CEO report is extensive and underscores a variety of issues. Most involve the complexity of the energy markets and 3CE's prospects for 1) maintaining lower rates than PG&E and SCE, and 2) complying with evermore complex regulations issued by the State Energy Commission, the California State Public Utilities Commission, and the California Independent System Operator, which manages the energy loads throughout the grid. Here is a sample of one section, which describes the need for 3CE and other CAAs to ensure that they have sufficient energy (Resource adequacy - RA).

Issue

The Resource Adequacy (RA) program is California's main grid reliability program. A combination of increasing demand and decreasing supply of eligible RA capacity over the past five years has resulted in sharply increased prices and unprecedented difficulty procuring sufficient RA to achieve compliance. Over the past year the CPUC has also sought to tie RA compliance to other, unrelated functions such as CCA expansion into new communities.

Status

After a year and a half of reform that completely restructured the RA program, the California Public Utilities Commission (CPUC) issued a Proposed Decision on May 25th containing a final set of program changes before the proceeding closes. Many of these are concerning, including prohibiting expansion for CCAs with an RA deficiency in the past two calendar years, increasing penalties for RA noncompliance, and further restrictions on RA capacity imported from outside California.

Next Steps

3CE, CalCCA, and other stakeholders filed comments on the Proposed Decision opposing the CCA expansion limitation and other concerning elements. The CPUC is set to vote on the Proposed Decision on June 29th, after which the proceeding will close and there will be no new RA policymaking until at least early 2024. In the meantime, focus will shift to implementation of the new slice-of-day RA framework approved in this proceeding in 2022, with the next round of RA reform likely focused on issues with this framework that emerge during implementation.

The fragility of the CCA model is revealed in this and other issues in the report.

Project Labor Agreements (PLAs)

A separate section of the report reveals that 3CE is now requiring that its suppliers utilize project labor agreements. Does the County of SLO support this policy? What about the Cities of Santa Maria, Paso Robles, Atascadero, Pismo Beach, and Morro Bay, which are all members? PLAs increase costs because they lock out non-union contractors and promote the use of large out-of-county and out-of-state contractors. The large trade unions have rigorous seniority rules, and contractors must hire apprentices and journeymen in the seniority order from wherever they live.

3CE and the other CCAs are not popular with the trade unions because they undermine the investor-owned utility work forces by charging government advantaged lower rates and thereby stealing their customers. Now the trade unions are complaining and asking what can the CCAs to do for their workers?

PLAs

3CE's Existing Commitment to Local Economy and Workforce 3CE's commitment to our local workforce and sustaining our local economy is demonstrated through our existing power purchase agreements and energy storage agreements (PPAs and ESAs); our local-only request for offers; our Front of the Meter Energy Storage effort, our Local Purchasing Preference Policy, and our Energy Programs. 3CE has executed a total of 19 PPAs and ESAs, totaling over \$2 Billion in commitments for energy. Most of these agreements include a contractual requirement that developers pay prevailing wages as required by law or commit to a project labor agreement with local trades. To date, each of 3CE's PPAs has project labor agreements in place, except where projects are delayed or the developer operated as their own general contractor, and in those cases subcontractor work was performed by union labor. To date, six of these projects are online and have generated over 3,000 construction jobs and over one hundred on-going operation and maintenance jobs.

Item 15 - Adopt Resolution PB-2023-05 Authorizing CEO to Execute a Clean Energy Purchase Contract with California Community Choice Financing Authority and Ancillary Documents and Agreements to Effectuate the Prepay Financing Transaction. The item was considered back in April 2023 by the 3CE Operations Board, which recommended it to the Policy Board that will consider it here. Significantly, the County of Santa Barbara abstained and the City of Santa Maria voted no. The Santa Barbara County CEO and the Santa Maria City Manager are two of the more sophisticated and fiscally conservative local government CEOs on the central coast. The Policy Board should solicit their input as it considers this matter.

This appears to be a form of debt issuance that is approved by the CCE Board, not the voters in the CCE service area. In this regard, it seems somewhat similar to Certificates of Participation (COPs) and Pension Obligation Bonds currently issued by cities and counties to get around normal bond approval requirements. It is also much more complicated.

The basic theory seems to be:

1. 3CE has long term energy purchase contracts - 20 to 30 years (as noted in item 3 above).

2. By prepaying some of these contracts, 3CE believes it will derive rate discounts estimated to be from 7% to 10%.

3. To obtain the funding to prepay the suppliers, 3CE would indirectly issue tax exempt bonds (debt).

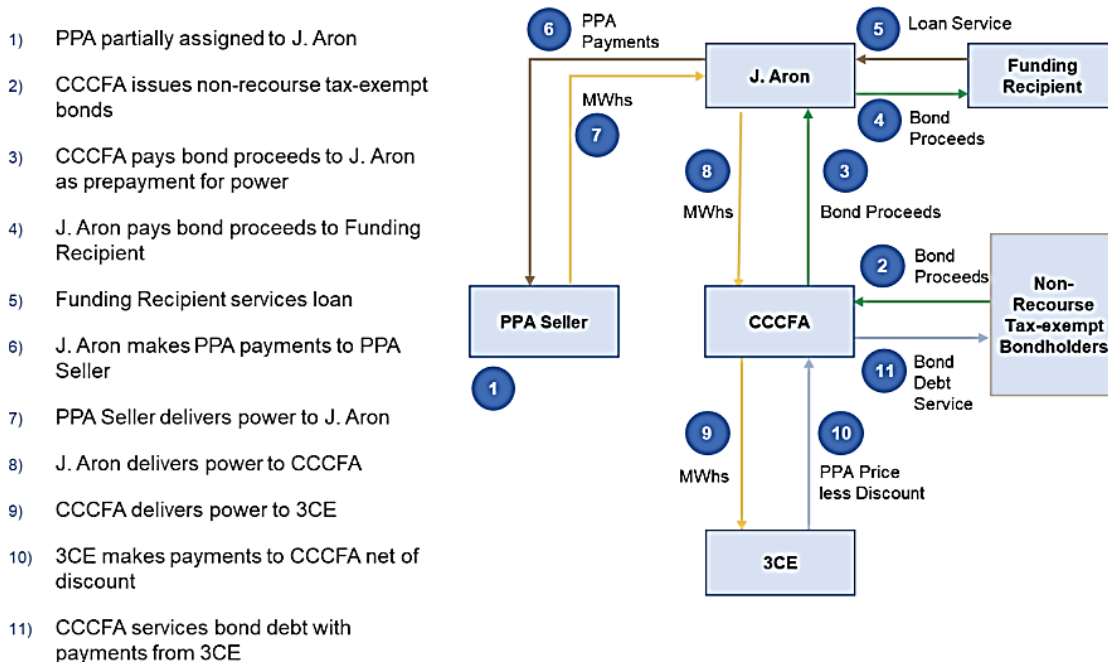
4. The bonds would be issued by an intermediary agency, the California Community Choice Financing Authority (CCCFA), so that a group of community choice aggregators including 3CE could pool their debt. The write-up states in part:

Prepay Deal Structure: If approved, 3CE will become the fifth CCA to execute a prepay transaction for the benefit of its customers. Following nearly a year of negotiations, 3CE’s proposed prepay transaction involves a series of agreements between 3CE, a set of its PPA seller partners, a facilitating banking partner (J. Aron), the California Community Choice Financing Authority (“CCCFA”) (a JPA founded by 3CE, East Bay Community Energy, Marin Clean Energy, Silicon Valley Clean Energy, and Clean Power Alliance), and a funding recipient to be selected by 3CE through a competitive process.

CCCFA issues non-recourse, tax-exempt bonds, the proceeds of which are used to prepay for electric power delivered under assigned PPAs at the terms originally negotiated by 3CE. CCCFA provides the bond proceeds to J. Aron, who loans them to the funding recipient, then uses debt service of that funding to make regular payments to the PPA sellers and deliver the power to CCCFA. CCCFA provides that power to 3CE at a discount from the original PPA price and uses those payments to service the bonds.

A “simplified” diagram of the flow of funds and power is presented below:

Summary of Energy Prepayment Structure Mechanics



J. Aron is a subsidiary of Goldman Sachs.

CCCFA

The California Community Choice Financing Authority (CCCFA) was established in 2021 with the goal to reduce the cost of power purchases for member community choice aggregators (CCAs) through pre-payment structures. The founding members of CCCFA include Central Coast Community Energy, East Bay Community Energy, Marin Clean Energy, and Silicon Valley Clean Energy. CCCFA is a Joint Powers Authority which can help member CCAs save up to 10% or more on power purchase agreements, helping reduce costs for ratepayers and increase available funding for local programs.

The CCCFA Board consists of 4 Directors. Tom Habashi, who just retired as 3CE's CEO, is one of the Directors.

Some questions:

1. How much debt is 3CE going to issue?
2. What is the interest rate?
3. In what denominations will the bonds be issued?
4. Shouldn't 3CE customers get first crack at them?
5. Does this bonded debt count as accumulated overlying debt of government agencies in the 3CE service area? Would SLO County's member agencies have to disclose their proportionate shares it on their CAFRs?
6. What happens, as in the case of the pension obligation bonds, if the 3CE does not achieve the savings over time to cover the interest and principal on the bonds? Will the member jurisdictions have to pony up, or will the 3CE customers be forced to pay higher rates?

No matter what, the whole scheme is paradise for investment bankers, bond counsel, consultants, etc.

| FIRM | ROLE |
|--|---|
| PFM Financial Advisors LLC (PFM) | Municipal Finance Advisor ("FA"): Advise 3CE in negotiations; required by Municipal Securities Rulemaking Board |
| Nixon Peabody | Bond, Disclosure, Issuer, and Tax Counsel: Represent 3CE and CCCFA; provide tax opinion on the transaction |
| Hall Energy Law | Special Counsel to 3CE; review and negotiate primary and ancillary documents |
| Stradling Yocca Carlson & Rauth | Special Counsel to 3CE; review and negotiate primary and ancillary documents |



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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



California flag map. (Photo: Wikipedia)

IS CALIFORNIA LISTING TOWARD FAILED STATE STATUS?

BY KATY GRIMES

California used to be known for its stunning weather, Hollywood movies and stars, Silicon Valley – home to the high tech industry, and for the agricultural products grown and raised for the state, country, as well as the rest of the world.

Today, California is known for its crazy Left wing politics, violent crime, bumper-to-bumper traffic, its homeless epidemic, out-of-control spending, record budgets, and the \$1+ trillion unfunded pension obligation to state retirees.

Today's headlines tell the rest of the story:

California's firefighter union is poised to get a rare perk: Guaranteed raises, forever
Governor Newsom's Budget Deficit Has Climbed To \$31.5 Billion

[State workers protest at California state Capitol to demand pay raises amid SEIU bargaining](#)

[California reparations report urges action on housing discrimination and overpolicing](#)
[Reparations task force gives recommendations on how California can atone for slavery](#)

[Bay Area transit agencies say \\$5.1 billion state funding deal is not enough](#)

[Is the California EDD Pulling a Pandemic Scam?](#)

[California taxpayers pony up for transit systems they'll never use](#)

[California bacon law takes effect](#)

[Thousands of SoCal hotel workers go on strike](#)

[More migrants from Texas arrive in Los Angeles over 4th of July weekend](#)

California's Questionable Swing from Budget Surplus to Budget Deficit ...

Union members getting guaranteed raises *forever*; a record budget deficit; reparation payments to black Californians; SEIU demanding more raises... it never ends.

With headlines like these, it is not an intellectual challenge to conclude that California is headed straight for breakdown as a failed state.

A state is ordinarily considered "failed" when it is unable to justly enforce laws. California is certainly unable to enforce important but basic quality of life laws and is suffering under an horrific crime spike exploding across the state thanks to Democrats who are totally in control of state politics.

Here's how they have achieved this:

[Proposition 47](#), passed by misinformed voters in 2014, and flagrantly titled "The Safe Neighborhoods and Schools Act" by then-California Attorney General Kamala Harris. Prop. 47 reduced a host of felonies to misdemeanors, including drug crimes, date rape, and all thefts under \$950, even for repeat offenders who steal every day.

[Proposition 47](#) also [decriminalized drug possession](#) from a felony to a misdemeanor, removed law enforcement's ability to make an arrest in most circumstances, as well as removed judges' ability to order drug rehabilitation programs rather than incarceration.

Proposition 57 in 2016 reduced prison sentences, and Assembly Bill 109, Gov. Jerry Brown’s “prison realignment” scheme, shifted detainees from state prisons to local jails, overwhelming county jails.

Despite overwhelming evidence of rampant crime throughout the state, Gov. Gavin Newsom has continually praised Proposition 47, Proposition 57 and AB 109, claiming they had helped reduce crime in the state – rather than doubling down on the source of these crimes.




“Proposition 47 didn’t just make theft under \$950 a misdemeanor, but also got rid of what we called “priorability”; [it] interfered with the police’s ability to arrest someone for misdemeanor shoplifting, unless they actually witnessed it,” said Los Angeles County Assistant District Attorney Michele Hanisee. “Then of course, Proposition 57 allowed early release of not only nonviolent felons, but also sex offenders and three strikers. If you add to that some of the current policies we are seeing from the district attorneys and the courts, such as zero bail and district attorneys who won’t prosecute misdemeanors, it creates a perfect storm and there is just no consequence for crime.”

Propositions 47 and 57 were qualified for the statewide ballot and funded by myriad leftist organizations, and supported by the state’s Democrats.

Donors

Four ballot measure campaign committees were registered in support of the initiative as of December 31, 2014:^[45]

| Committee | Amount raised | Amount spent |
|--|---------------------|---------------------|
| Women's Foundation of California - Yes on 47 ↗ | \$25,000 | \$25,000 |
| Yes of Prop. 47, Californians for Safe Neighborhoods and Schools ↗ | \$10,606,070 | \$9,285,680 |
| Yes on 47 Sponsored by PICO California ↗ | \$260,421 | \$395,597 |
| California Calls Action Fund - Yes on 47 ↗ | \$85,000 | \$599,805 |
| Total | \$10,976,491 | \$10,306,082 |

| Total campaign cash  | |
|---|---------------------|
| as of December 31, 2014 | |
|  Support: | \$10,976,491 |
|  Opposition: | \$551,800 |

The following were the donors who had contributed \$100,000 or more to the campaign supporting the initiative as of December 31, 2014:^[45]

| Donor | Amount |
|--------------------------------|-------------|
| American Civil Liberties Union | \$3,500,000 |
| Open Society Policy Center | \$1,460,112 |
| B. Wayne Hughes, Jr. | \$1,255,000 |
| Atlantic Advocacy Fund | \$850,000 |
| Molly Munger | \$325,448 |
| Nick Pritzker | \$250,000 |
| Reed Hastings | \$246,664 |
| M. Quinn Delaney | \$200,000 |
| Cari Tuna | \$150,000 |
| Steven C. Phillips | \$125,000 |
| Sean Parker | \$100,000 |
| Drug Policy Action | \$100,000 |

Prop. 47 donors. (Photo: Ballotpedia.org)

“Left-progressive criminal justice and most labor union interests in the state, including the [ACLU](#), the [Open Society Policy Center](#) (a Soros network company), and the [California Labor Federation](#) supported the measure,” Influence Watch [reported](#).

The sketchy [Yes on Prop. 47, Californians for Safe Neighborhoods and Schools](#) committee, which raised and contributed more than \$10 million to the Prop. 47 campaign, has disappeared and the link from Ballotpedia is no longer any good.

The top five donors to Proposition 57 were:

| Donor | Amount |
|---|----------------|
| Governor Brown's Ballot Measure Committee | \$4,138,764.00 |
| California Democratic Party | \$2,174,198.00 |
| Thomas Steyer | \$1,750,000.00 |
| Mark Zuckerberg | \$1,000,000.00 |
| Open Society Policy Center, Inc. | \$1,000,000.00 |

Again, George Soros was influencing California politics, together with Mark Zuckerberg, billionaire Tom Steyer, and then-Governor Jerry Brown.

If they wanted to turn California into a third world country, they are succeeding.

Other factors contributing to failed states include uprisings, high crime rates, byzantine bureaucratic processes, corruption, judicial incompetence and/or politicking, and military or government policing agencies interference in politics. (Now, re-read the above headlines)

California Gov. Gavin Newsom claims that California is a Nation-State:

“Speaking on MSNBC, Governor Gavin Newsom said that he would use the bulk purchasing power of California ‘as a nation-state’ to acquire the hospital supplies that the federal government has failed to provide. If all goes according to plan, Newsom said, California might even ‘export some of those supplies to states in need.’”

“Nation-state.” “Export.”

Bloomberg News was referring to Newsom’s ethically dubious and hurried \$1 Billion deal with China’s BYD (a bus company) for masks in the early days of the COVID pandemic and state lockdowns, as the Globe [reported](#).

In April 2020 [Henry Brady](#), dean of the Goldman School of Public Policy at UC Berkeley addressed Newsom’s claims of “Nation-State” status. Brady said “it is useful to introduce the word ‘country’ first and to then consider the words ‘state’ and ‘nation.’” He explains:

Is California a country? No. Countries have sovereignty over their borders, control over the military and their external affairs, the power to make the fundamental laws of the land, and ultimate control over the use of force within their borders.

Is California a state? Yes. California is one of the 50 states of the United States.

Is California a nation? It’s complicated. A nation is a community of people with a common language, territory, history, ethnicity or culture.

Is California a nation-state? It's very complicated. It is certainly a state and its people may comprise a nation... "Nation-state" often means a nation that comprises an independent state.

There is nothing wrong with using this term in a colloquial fashion, especially if you are also willing to say that Texas is a nation-state and perhaps even New York or Pennsylvania.

Brady [concludes](#) that California could be considered a nation-state.

Therefore, let us summarize how and why this "nation-state" is failing, under the reign of Gavin Newsom.

"Nation-states fail because they are convulsed by internal violence and can no longer deliver positive political goods to their inhabitants. Their governments lose legitimacy, and the very nature of the particular nation-state itself becomes illegitimate in the eyes and in the hearts of a growing plurality of its citizens," said Robert Rotberg in [Failed States, Collapsed States, Weak States: Causes and Indicators](#).

With so many Californians departing the near-perfect weather and stunning beauty and prosperity of the once Golden State, it is because of violence and crime, and plenty of other issues.

Here are just a few of the serious, quality of life issues in California under Gov. Gavin Newsom:

- flooding
- drought
- Wildfires and "wildfire season"
- 4-seasons of electricity shortages and rolling blackouts
- Gigantic [budget deficit swing](#) of \$100 Billion from "surplus" in just one year
- [Declining California population](#) and disappearing wealth: the state's population dropped by more than 500,000 people between April 2020 and July 2022. California's net loss totals was more than 332,000 residents – more than any other state – taking \$29.1 billion with them to other states.
- Highest property crime
- Homeless population living on the streets is multiplying
- More than \$23 billion spent on homelessness in the state
- Collapse of [Silicon Valley Bank](#) and First Republic Bank
- Mass [tech industry layoffs](#)
- The [highest poverty rate](#) of any state in the country
- State-created water shortage
- violent crime spike
- Growing drug addicted homeless population
- Taxpayer funded abortion sanctuary state
- indoctrination center public schools
- Unconstitutional gun control
- Sanctuary State
- Abortion Sanctuary State
- Assembly Bill 5 which destroyed the state's gig economy and independent contractors
- [Californians are paying the highest gas prices](#) in the entire nation

- Gov. Gavin Newsom [defied the state's voters within 6 weeks of being sworn in January](#) 2019 when he announced in March 2019 he was granting reprieves for all death penalty murderers on California's death row, calling the death penalty "ineffective, irreversible and immoral."
- Gov. Gavin Newsom signed [Senate Bill 145](#) by Sen. Scott Wiener (D-San Francisco) which lowers the penalties for adults who have sex with same-sex minors – this means the new law allows a 24 year old to have sex with a 14 year old and escape a felony conviction and requirement to be a registered sex offender.

As Gavin Newsom pretends he's not going to run for U.S. President, let's reflect on his character and real record.

This is the governor who created [California's new Department of Hate](#) for snitches, tattletales and grievance hustlers. Gov. Newsom formed the State Reparations Commission to pay black Californians who never were slaves, money from taxpayers who never enslaved anyone, in a state that never was a slave state and openly supported the Union North. Historical ignorance is no excuse.

We cannot forget how [Gavin Newsom praised President Biden's backing of failed Silicon Valley Bank](#) customer deposits, but forgets to mention he was a client, as was his wife, who received funding from a bank executive John China, SVB Executive of Capital, who also sits on the board of Jennifer Siebel Newsom's California Partners Project.

In just his **first five months in office** (2019), Gov. Newsom increased the state budget \$5 billion – even with a tax revenue windfall. He could have cut the state budget and looked like a hero... But Newsom owns it now. His current budget is over \$300 billion with a \$32 billion deficit.

Gov. Newsom has grown homelessness: [California's burgeoning homeless population](#), despite spending nearly \$23 Billion (\$23,000,000,000) on California's homeless housing, homelessness continues to grow in California. [According to the Public Policy Institute of California](#), "nationally, California has topped the list for the state with the largest homeless population for more than a decade. As of 2022, 30% of all people in the United States experiencing homelessness resided in California, including half of all unsheltered people (115,491 in California; 233,832 in the US)."

With Newsom as Governor, **California loses nearly 700,000 residents since 2020.**

As for issues that matter to Californias, business deregulation, honoring the independent contractor, re-shoring of industry, energy independence, securing the border, war on drug cartels, restoring law and order in the state, restoring water rights, plentiful water storage, parental rights (ie. ending the assault on the family), ending censorship, election integrity, back to basics school curriculum, honoring and restoring the second amendment, property rights – Gov. Newsom has only undermined these very important issues, while destroying the quality of life in California.

Do not forget Democrats in the Capitol in 2021 tried to pass [Senate Bill 300](#), to reduce the sentence for individuals convicted of the most serious and heinous murders. Why?

It's not a stretch to see that under the Democrat one-party rule, California is failing – and failing everyone except the Newsom elites.

"Listing" is a nautical term to describe when a vessel takes on water and tilts to one side.

Katy Grimes, the Editor of the California Globe, is a long-time Investigative Journalist covering the California State Capitol, and the co-author of [California's War Against Donald Trump: Who Wins? Who Loses?](#)

CHANGE MERCHANTS
RULE BY “VIRTUALS” LEADS TO CONSTANT
DISRUPTION
FROM THE CITY JOURNAL MAGAZINE
SPRING 2023

Over the years, various labels have emerged to describe the type or class of people who tend to run societies in the postmodern West: the “professional managerial class” or the “managerial elite,” the “creative class” or the “laptop class.” Or, as I’ve ventured to name them, the “[Virtuals](#).” Common to all these identifiers is the recognition that the people now occupying the most prestigious and influential upper layer of society tend to differ in some distinct functional sense from the farmer, the truck driver, or the shop-owner of the “working class,” regardless of their actual relative wealth. Members of this well-educated, usually urban, class work not with their hands but with their minds; not with the material world but with information, ideas, narratives, or organizational or interpersonal relationships.

The differences and frictions between these two classes have helped fuel intense cultural and political divides, including the now-familiar “populist versus elite” [turmoil](#) that has swept much of the West. But it’s worth highlighting one other significant, if underemphasized, consequence of our elites’ anthropology—one that may go a long way in explaining how our current era has come to feel so relentlessly unstable.

Whether an academic, a journalist, a financial analyst, or a software developer, a member of this Virtual class makes his living—and, indeed, establishes his social and economic value—by manipulating, categorizing, and interpreting symbolic information and narrative. “Manipulate” is an important verb here, and not merely in the sense of deviousness. Such an individual’s job is to take existing information and change it into new forms, present it in new ways, or use it to tell new stories. This is what I am attempting to do as a writer in shaping this article, for example.

Members of this class therefore cannot produce anything without change. And they cannot sell what they’re producing unless it offers something at least somewhat new and different. Indeed, change is literally what they sell, in a sense, and they have a material incentive to push for it, since the faster the times are a-changin’ in their field, or in society, the more market opportunity exists for their products and services. They are, fundamentally, merchants of change.

This is not a new observation. As the writer Kevin Phillips noted in *Mediocracy* in 1975:

Change does not threaten the affluent intelligentsia of the Post-Industrial Society the way it threatened the landowners and industrialists of the New Deal. On the contrary, change is as essential to the knowledge sector as inventory turnover is to a merchant or manufacturer. Change

keeps up demand for the product (research, news, theory, and technology). Post-Industrialism, a knowledge elite, and accelerated social change appear to go hand in hand.

What has shifted since 1975 is that the proportion of would-be intellectuals and other Change Merchants in society has grown vastly larger as our manufacturing sector has declined and we've steered a greater and greater share of young people into postsecondary education. We face an ever greater surplus of "knowledge elites," who form a growing portion of our ever more postindustrial economy; therefore, ever more intra-class competition rages as these elites attempt to sell unique theoretical "products" in disruptive new ways. The result is a vastly elevated number of suppliers of social change. And that supply creates its own demand.

The most vibrant example of this dynamic today is academia. In recent years, many have lamented the infiltration of political activism into the ivory tower, allegedly once devoted purely to the pursuit of truth. But the whole structure of academia is almost perfectly designed to incentivize activism. To advance in or merely survive the competition of their crowded fields, academics must constantly strive to produce something—anything—new and seemingly innovative. It's "publish or perish." In other words, academia creates its own demand for continual disruptive change. And activism maximizes opportunities for such profitable disruption. After all, academia is a "marketplace of ideas," and sellers in a marketplace will naturally advertise to stimulate demand. Some naive academics may have hitherto sought only to understand the world, but the whole point of academia is to sell the need for academics to change it. Activism is the inevitable strategic business innovation of the academic market.

Today, almost every sector of the postindustrial economy operates with a similar incentive structure. Fast culture is good business for the same reason as is fast fashion. Just as promoting hedonism and conspicuous consumption can stoke demand, so a strong incentive exists to promote a whole suite of values that encourage sustained and faster change. Values that scramble sensibilities, obliterate old borders, uproot ties that bind, eliminate the limits of old obligations, pry open and plunder distinct and exclusive communities and cultures; or that discover new rights, or temporarily establish fashionable new moral norms that suddenly compel conformity; or that launch grand moral crusades—all create new demand for services that otherwise wouldn't exist. "Progress" is profitable.

By contrast, the prospect of deaccelerated change—or, worse, the notion offered by conservative traditionalists that there exist permanent truths, a fixed human nature, or inherited ways of life that have already provided best-fit solutions to intractable human challenges—is, in a real sense, an existential threat. Like the shark who must keep swimming constantly in order to breathe, the Change Merchant finds that stability means death.



In societies where, in Italian political scientist Vilfredo Pareto's formulation, inarticulate Lions are marginalized and excluded from governance by cunning Foxes, instability increases relentlessly. (© LOOK AND LEARN/BRIDGEMAN IMAGES)

Surely, it is no coincidence that the sense, felt by so many today, that we seem to be living in an era of constant revolution and shattering upheaval parallels the rise of a Change-Industrial Complex.

It hasn't always been like this. In a way, the current state of permanent revolution also represents a recent civilizational imbalance produced by the triumph of one distinct type of human personality over another.

Some five centuries ago, Niccolò Machiavelli identified two psychological profiles of people who generally became leaders: the cunning but weak Fox, who was “defenseless against wolves”; and the strong and brave Lion, who could scare off wolves but was “defenseless against traps.” Machiavelli thought that a true statesman must embody both. In the twentieth century, one of Machiavelli's distant students, the Italian political theorist Vilfredo Pareto, would expand on his metaphor to describe the characteristics of two larger classes of people. Foxes are defined by their “instinct for combination” and experiment, and are “in general . . . adventurous souls, hungry for novelty in the economic as well as in the social field, and not at all alarmed at change, expecting as they do to take advantage of it.” Foxes are unsuited to, and uncomfortable with, the employment of physical force; they prefer intellectual and rhetorical combat, seeking to overcome obstacles through clever persuasion or manipulation of people and narratives. By contrast, Lions possess an instinct for the preservation of existing forms and virtues, along with communal unity and “group persistence.” Valuing security and stability, they prefer caution and conservatism, “hoping little and fearing much from any change, for they know from bitter experience that they will be called upon to foot the bill for it.” Society's natural warrior class, they prefer the honesty of open conflict to scheming and, while typically slow to anger, tend to favor the direct application of force to solve problems.

Our contemporary elite class is quite transparently dominated by Foxes—the same personality type that tends to become Virtuals. Pareto would have predicted this, having noted a historical cycle in which safe and stable civilizations (usually founded by the firm hand of Lions) come to avoid—and, indeed, abhor—virtues and methods other than the indirect and diplomatic. This soon favors the byzantine organizing, scheming, manipulating, and propagandizing of Foxes. With the inarticulate Lions eventually fully marginalized and excluded from governance by the Foxes, the instability of such societies then increases relentlessly, generating direct challenges that the Foxes, inept at using force, may lash out at but are unable to resolve.

If Americans today suffer under a sort of escalating “anarcho-tyranny”—in which uncontrolled immigration, crime, substance abuse, and other social pathologies proliferate alongside a state that seems to grow constantly larger and more determined to exert its dominance through control over, and manipulation of, information, ideas, and narratives—the undiluted rule of Foxes may be partly to blame.

It is also in this context that the ruling knowledge class's enthusiasm for postmodern ideology should be understood. “Woke” and other variants of postmodernism identify language and narrative as the central domain of human struggle and control of it as the essence of power. Indeed, with his subjectivist rejection of any objective truth, the postmodernist sees narrative as reality. And if narrative—or abstract theory—is “truth,” then it is observable material reality that must be false, amenable to change by sheer will.

This, we might note, is the ideal ideological worldview to tempt Foxes and Change Merchants. It is fundamentally dematerializing, relocating power from the physical world to their preferred

realm of pure abstraction and narrative—i.e., it promises complete power to manipulate reality with the mind. This infinite subjectivism provides the opportunity to induce unlimited, frictionless change, at any scale, at any time; even those material limits once considered absolute, such as biology, can be cast aside with a word. The world becomes completely fluid, with reality structured by interpretation, necessitating the management and control of a priestly expert class. How convenient! With postmodernism, every true nerd's secret fantasy (transmutation from nerd into wizard) suddenly appears within reach.

Of course, narrative doesn't actually determine reality, a fact that is always likely to prove a disagreeable buzzkill for thinking classes. Pareto noted that it was typical for the destabilization produced by the rule of Foxes to delegitimize regimes to the extent that they would collapse and be replaced, usually by Lion-like men on horseback. Philosopher kings, it turns out, often philosophize themselves out of existence.

The historical cycle that Pareto observed suggests that, one way or another, our era of hyper-rapid change won't last forever. A limit exists to how much change and instability most people can tolerate in a short span of time. At some point, they might just collectively stop buying it, and we can all enjoy the respite of a long-overdue change recession. First, however, the frustrations of many more people will have to grow to the point where they learn to reject the Change Merchants' advertised wares—remembering, perhaps, that good ideas (and principles) don't need to be replaced as quickly as refrigerators. In fact, the longer such concepts have endured, the better they probably are.

Maybe there will at last come a day when that rude hawker's cry, "Let the great world spin for ever down the ringing grooves of change!" is met mostly with a polite but firm, "No, thanks." That's the kind of hope and change that I, for one, could get behind.

N. S. Lyons writes "The Upheaval" on Substack.

A CENTURY OF IMPOTENCY: CONSERVATIVE FAILURE AND THE ADMINISTRATIVE STATE
Conservatives have failed to restrain the administrative state because they have accepted that it is a necessary governmental innovation required by the complexity of modern society
By Theo Wold

This essay is adapted from "Up from Conservatism: Revitalizing the Right after a Generation of Decay," Edited by Arthur Milikh (Encounter Books, 328 pages, \$32.99)

James Landis is widely credited with crafting the theoretical architecture supporting President Roosevelt's radical reconstruction—and expansion—of the federal government. Landis shrewdly both established and legitimized the regulatory state, including Roosevelt's creation of new

federal administrative agencies, by offering the regulatory state as the solution to the problem of modern governance: the administrative state “is, in essence, our generation’s answer to the inadequacy of the judicial and legislative process.” The Landis premise took concrete shape through Roosevelt’s expansion of the regulatory state, and in doing so, it brought to fruition Woodrow Wilson’s progressive intellectual project: rule by experts, insulated from the popular will

Landis believed the “the administrative process” for which he advocated would “spring from the *inadequacy* of a simply tripartite form of government to deal with modern problems” because modern problems were simply too large and complex to be entrusted to the system based on the separation of powers instituted by our nation’s founders. Landis framed this innovation as *consistent* with separation of powers principles because he believed the separation of powers called both for separation but also *coordination* among the branches, and he saw the administrative state as essential to creating that coordination:

If the doctrine of separation of power implies division, it also implies balance, and balance calls for equality. The creation of administrative power may be the means for the preservation of that balance, so that paradoxically enough, though it may seem in theoretic violation of the doctrine of the separation of powers, it may in matter of fact be the means for the preservation of the content of that doctrine.

What the tripartite branches could not coordinate among themselves directly, Landis believed administrative agencies could coordinate as a substitute. Landis then aimed to create administrative agencies that *themselves* combined the three aspects of government. Years later, the Administrative Procedure Act codified this three-branches-in-one-agency approach to administrative power, defining not only rulemaking authority for federal agencies (a quasi-legislative power), but also adjudicative authority (a quasi-judicial power).

In reality, Landis’s three-branches-in-one-agency theory never comported with the separation of powers principles that the founders embedded in our Constitution. But even if it *could* have been reconciled with those principles as a theoretical matter, the past 100 years have demonstrated that the administrative state is the single biggest threat that faces the Constitution and the republic it establishes. What began as a type of separation-of-powers “innovation” beyond the Constitution has persisted as nothing less than tyranny. The vast majority of our governance today is created, maintained, and enforced by unelected bureaucrats who are almost entirely insulated from accountability to any branch of government, let alone the people.

This reality was never on fuller display than during the Trump Administration, as I witnessed firsthand. From President Trump’s inauguration forward, the recalcitrant federal bureaucracy slow-walked his policies, including policy promises that were central to his victorious 2016 campaign (and that therefore commanded significant support from the American people). The Army Corps of Engineers dragged its feet in finalizing plans for the construction of a border wall. The Department of Education refused to withdraw Obama-era memoranda on Title IV and disparate impact. Bureaucrats at the Department of State ultimately blocked efforts to require “extreme vetting” for foreign nationals entering the United States. The idea that the federal bureaucracy is accountable to the president is a mirage.

And yet, for decades now, conservatives have failed to mount any fundamental challenge to the central Landis claim undergirding the administrative state: the inadequacy of the self-governing tripartite branches. There lies the problem for conservative reforms of the administrative state as they have been proposed for the last 40 years. Landis believed the complexity of modern problems demanded the administrative state as a solution, and by and large, even conservatives have agreed.

In fact, when conservatives have dared to oppose the administrative state, they have framed their opposition through an economic lens: the administrative state is a vehicle for regulation and government control of the market. As such, conservatives' tools for combatting it have focused almost exclusively on curtailing the authority of the administrative state to promulgate new regulations and affixing costs to its enactments. In this view, the administrative state as seen through green eyeshades is a problem only because it is profligate and burdens the marketplace, not because "coordination" may now work in conflict with the policy preferences and reanimated desires for political control of a free people. The tyranny of the administrative state is not merely an economic tyranny: it is a tyranny over all purposes of government, a capturing of the people's power over all political questions, not merely pocketbook questions.

Perhaps it has been easy for conservatives to adopt the Landis premise because before FDR's remaking of the federal government, conservatives were already committed to the idea that some modern problems were so complex they could not be resolved through the basic instruments of self-governance and instead required the intervention of experts.

When Landis was previewing his ideas publicly prior to working in the executive branch, President Herbert Hoover signed the Reconstruction Finance Corporation Act, creating a new, government-sponsored financial institution that would fit right in with the "independent agencies" of today. The Reconstruction Finance Corporation was a quasi-public corporation that borrowed its funds over its lifetime almost entirely from the federal government for the purpose of lending directly to banks and other financial institutions. The RFC was composed of professionals hired outside the civil service system, and the federal government appointed its executive officers and board of directors.

Even the leading conservative of the time, Senator Robert Taft of Ohio, favored the RFC and would later back New Deal agency programs, including subsidized loans for farmers and homeowners and accelerated public works spending. In retrospect, the RFC was a template for the New Deal federal agencies FDR later created, including the Tennessee Valley Authority, a quasi-governmental corporation, the Works Progress Administration, the Federal Communications Commission, the Federal Housing Administration, and the Securities and Exchange Commission. More importantly, it was a harbinger of decades of conservative capitulation: In creating the RFC, conservatives like Taft had essentially adopted the Progressive view that modern problems required credentialed experts and technocratic governance. As Taft would posit, *laissez-faire* individualism was a political-philosophical perspective that required mediation from governmental authorities.

The solution to the administrative state, however, depends on *resisting* the Landis premise and accepting instead that even modern problems can be solved *without* administrative agencies, or that the price of solving those problems is too high if administrative agencies are the only means of doing so.



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Four Past Attempts to Restrain the Administrative State

The Administrative Procedure Act of 1946

The Administrative Procedure Act might be considered the first attempt at restraining the administrative state. Passed in 1946, the APA followed FDR’s Second New Deal by about a decade and came at a time of concern in the United States for the rapid rise of the administrative state. Conservatives publicly worried that its growth impaired individual liberties (by allowing federal agencies to impose regulations that burdened individuals’ freedom to work and contract, even without explicit authorization from Congress) and the free market (by allowing federal agencies to establish burdensome regulations or effectively pick “winners” and “losers” and interfere with otherwise-free markets). Liberals advocated for the administrative state based on the Landis premise—namely, that unelected experts were needed to create policies and regulations capable of meeting the demands of “modern society.”

The APA attempted to assuage concerns about the administrative state’s power by grafting onto the administrative state the same types of due process protections that applied to other branches of government. It created formal and informal rulemaking processes to regularize the administrative state’s quasi-legislative activities, and it created formal and informal adjudicative processes to regularize the administrative state’s quasi-judicial activities. It also specified conditions for review of agency action by the judicial branch.

But although the APA was seen at the time as a bipartisan compromise, it was in retrospect a compromise that leaned heavily leftward because it endorsed—and even advanced—the Landis premise. The essential compromise of the APA was biased *in favor of* a large administrative state: the administrative state was a necessary governmental innovation demanded by the complexity of modern society, and the only restraints Congress could place on its activities were marginal procedural protections intended to mimic the due process protections that applied to the constitutional branches of government. These protections increased public participation in rulemaking by requiring pre-rulemaking notice to and comment from the public, and they increased regularity in agency decision-making by standardizing agency processes. But they did little, if anything, to curtail the reach of federal agency power or to protect the primacy of the constitutional branches of government as set against the unelected and essentially insulated activities of the administrative state.

Chevron Deference

Many prominent conservative jurists, including Justice Antonin Scalia and D.C. Circuit Judge Kenneth Starr, spent a generation advocating for *Chevron* deference, which was intended to prevent liberal courts from imposing their policy preferences on the executive branch by preserving a deferentially drawn sphere of decision-making in which executive agencies were free to operate. But in protecting this deferential sphere of decision-making power, *Chevron* deference has ultimately proved to be incapable of checking the administrative state's power and growth.

Chevron deference originated with the 1984 decision *Chevron U.S.A. v. Natural Resources Defense Council*, which created a two-part test for judicial review of the agency's construction of a statute passed by Congress. First, a court must determine "whether Congress has directly spoken to the precise question at issue"; and if it has, and "the intent of Congress is clear, that is the end of the matter," for both the court and the agency "must give effect to the unambiguously expressed intent of Congress." Second, "if the statute is silent or ambiguous with respect to the specific issue, the question for the court is whether the agency's answer is based on a permissible construction of the statute"; if it is, it is entitled to the court's deference.

Chevron itself embraced the Landis premise that difficult policy questions required experts to resolve. It posited that where a statute is ambiguous, Congress might have "consciously desired . . . that those with great expertise and charged with responsibility for administering the provision would be in a better position to do so" than Congress. But even if Congress had not so determined, the opinion advocated deference to experts: "Judges are not experts in the field, and are not part of either political branch of the Government," so it should not be for judges to resolve complex policy issues. The *Chevron* Court assured itself that the deference it instituted presented no separation-of-powers problem because "while agencies are not directly accountable to the people, the Chief Executive is, and it is entirely appropriate for this political branch of the Government to make such policy choice." Today, such an argument is untenable, in light of the entrenched nature of the administrative state and the little (or, more often, utter lack) of executive control over its machinations.

Chevron deference is a legal doctrine incompatible with substantial self-governance because it translates statutory ambiguity into complete deference to the *least* accountable arm of modern government—the administrative state.

While conservative jurists today are more skeptical of the doctrine (and, indeed, may even be willing to replace it), the conservative jurists of yesterday embraced it. None other than Justice Scalia himself argued for a relatively expansive definition of *Chevron* deference. In discussing *Chevron*'s "step one," Justice Scalia explained that "congressional intent must be regarded as 'ambiguous' not just when no interpretation is even marginally better than any other, but rather when two or more reasonable, though not necessarily equally valid, interpretations exist." In other words, *Chevron* requires courts to defer to federal agencies even when those agencies adopt clearly *inferior* interpretations of the statutory text passed and signed by the politically accountable branches. It is no wonder, then, that the doctrine of *Chevron* deference has done little to check the power and proliferation of the administrative state.

REINS Act

More recently, conservative legislators in Congress have introduced and advocated for the REINS Act (Regulations from the Executive in Need of Scrutiny Act). Senator Rand Paul (R-Ky.) first introduced the REINS Act in 2013. The act creates categories of “major” and “nonmajor” rules and requires congressional approval by both houses of Congress before “major” rules can take effect.

The REINS Act, however, begins from the Landis premise as well—namely, that the authority to craft policy properly belongs to experts in the federal agencies. Rather than remove that power from agencies or shift lawmaking authority back to Congress in the first instance, the REINS Act leaves regulatory power with federal agencies in the very same size and scope in which it exists today and merely imposes a requirement of congressional approval on *some* regulatory actions. But even the definition of *which* regulatory actions require such approval is both ambiguous and inadequate. The REINS Act defines a “major rule” to be a rule with “an annual effect on the economy of \$100 million or more,” or one that causes “major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions,” or one that has “significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.” These definitions are unsatisfactory as a drafting exercise, since they are open to interpretation and admit of ambiguities. Who will determine which rules satisfy these definitions? Who knows?

Worse, these definitions are completely inadequate because they emphasize economic impact alone, as if the administrative state poses only pocketbook harms. Edicts from the Department of Education about the treatment of trans students in the classroom; Department of Commerce regulations about the classification (and therefore, legal availability) of certain firearms and accessories; Department of Defense allowances for same-sex spouse benefits or sex-change surgeries—all of these are culturally transformative regulations that fall short of the economic impacts that trigger greater congressional oversight in the REINS Act.

The REINS Act clearly demonstrates the view of its conservative sponsors and supporters that federal agencies have too much authority to take actions with too great significance; yet rather than remove such authority from those agencies and require *Congress* to exercise it, these legislators are content merely to give themselves an up-or-down vote after the fact—and even then, only for regulations with considerable *economic* impact, not those that answer transformative cultural questions about which ordinary people and their legislators expect to express views and direct policy. Thus, even in the REINS Act, the premise that expertise, after all, lies with the agencies still reigns.

The REINS Act is notable—and rightfully criticized—for another reason, too. It provides that all other rules outside the definitions stated above are “nonmajor” rules, which Congress may *disapprove* under the REINS Act. But surely this is a fact that need not be stated. Of course Congress can negate an action of a regulatory agency if it chooses. The fact that legislators see the REINS Act as a vehicle to state that power is alarming, but it is also illustrative of Congress’ impotence in the face of the size and scope of the modern administrative state.

Regulatory Oversight and Deregulation

Republicans have long pursued a deregulation strategy as another antidote to the proliferation of the administrative state, although with no more success than any other strategy discussed here. Deregulation and regulatory oversight strategies are executive efforts to exert more control over agency rulemaking, but these strategies fail because the executive lacks fundamental control over the administrative state.

The Reagan Administration's regulatory oversight required agencies to prepare cost-benefit analyses for major rules and required that agencies only issue regulations that maximize net benefits (defined as social benefits minus social costs). Similar to the REINS Act, this approach focuses not on the substance of federal regulations but only on their potential costs (and estimating costs depends on accurate forecasting—a dubious proposition). The error of this approach is on display in immigration policy. Federal regulations that grant visas to hundreds of thousands of immigrants might be economically “scored” as beneficial to the country's gross domestic product, but that cost analysis, even if accurate, speaks to only *one* aspect of immigration policy and neglects the transformational effect of immigration on culture, the allocation of labor, the displacement of American workers, and domestic wages. The Reagan Administration's regulatory policy focused myopically on the economic impact of regulation, as if regulations could only pose harm by undertaking *economic* decisions without the people's participation through their elected representatives, not social, cultural, or political decisions, despite their obviously transformative nature.

Besides, the Reagan Administration's regulatory oversight program can be judged by its fruits. By the final two years of that administration, the pace of new regulations had increased, and that increase continued into the Bush Administration. The power of the administrative state to dictate the lives of Americans, divorced from political oversight, did not shrink; it grew.

For its part, the Trump Administration attempted a new regulatory strategy targeted more precisely at *deregulation*. The Trump Administration pledged to remove two regulations for every one enacted, and even made the promise official by promulgating it in an executive order. The policy sounded good but faced legal and procedural hurdles. For one, *deregulation* requires federal agencies to go through the same notice-and-comment process that applies when affirmatively regulating, so the policy could, at most, require agencies to *initiate* the withdrawal of two regulations for every one proposed. From that point forward, the deregulatory and regulatory efforts had to follow different trajectories, leaving no guarantee that two regulations would *actually* be withdrawn for every one imposed. Nor was there any guarantee that the regulations targeted for withdrawal would be equal in significance to any new regulation being proposed.

Ultimately, the Trump Administration's deregulatory initiatives resulted in the enactment of fewer new regulations compared to its predecessor administrations, and the Trump Administration did try to remove many regulations as well, but many of these efforts foundered on legal grounds.

Most of the Trump Administration's important deregulatory actions, like barring asylum eligibility for certain individuals entering the United States at the southern border or rolling back the Obama Administration's Clean Power Plan, were litigated immediately and enjoined. Overall, the Trump Administration's track record in litigation was dismal. By one assessment carried out by the Institute for Policy Integrity, the Trump Administration succeeded in

defending its regulatory actions in court 58 times but was unsuccessful 200 times. That means a mere 22 percent of the Trump Administration’s regulatory actions survived judicial review.

The Trump Administration’s deregulatory efforts come the closest of any conservative strategy to resisting the Landis premise itself: at least under President Trump, the executive branch attempted not merely to layer procedural requirements onto the regulatory process or create greater oversight for economically significant laws, but to actually *reduce regulation directly*. But the Landis premise is so deeply embedded in the modern regulatory state that executive action alone cannot unseat it.

Deregulation requires the same procedures as regulation, and it is subject to judicial review, which places it ultimately beyond the executive’s sole control. The administrative state results in tyranny because it operates without political oversight. Presidential oversight is an illusion. The president sits atop the bureaucracy but can have precious little effect on its conduct. The president cannot order agencies to act without following the burdensome and time-consuming notice-and-comment procedures; nor can the president rescind past agency action without undertaking the same burdens—to say nothing of the general unresponsiveness of the bureaucracy to pursuing any policy with haste or diligence.



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A Proper Diagnosis

Conservatives have failed to restrain the administrative state because they have accepted the Landis premise—that the administrative state is a necessary governmental innovation required by the complexity of modern society. This intellectual capitulation is what ensures that the balance of power in this country will remain not only in Washington, D.C., but specifically with the largely unaccountable administrative state. The federal bureaucracy is the home of the most prestigious jobs in public service, the best salaries and benefits, the greatest esteem, and the most power. Educated and well-qualified individuals who aspire to power and influence want to join

the administrative apparatus. These are the experts, after all, and we have entrusted to them the power to rule us.

Never before has the fallacy of expert governance been so exposed as it is today, following the emergence of COVID-19 in the United States. The problem of COVID-19 placed federal public health officials on the national stage, demanding that their expertise direct and save the nation. And they failed. They opposed masking before demanding it universally; they advocated destructive lockdowns that uncannily reflected liberal biases (like shuttering churches on account of public singing while permitting in-person alcohol sales); they ignored the science of child infection in favor of virtual schooling that has disadvantaged (or worse) a generation of children; and they opposed a vaccine as “rushed” when it was President Trump’s accomplishment, only to mandate the same vaccine at the expense of one’s livelihood once President Trump was no longer in office. *These* are the experts. Their training prepared them for this moment, and when the nation needed them, they proved themselves to be credentialed political hacks.

That is why any conservative response to the administrative state must begin with the counter-Landis premise: that rule by experts and technocrats *is not* the self-evident and necessary solution to the problem of modernity, and that in fact, rule by experts and technocrats is just as likely to *harm* the nation, by impeding individual freedom and restraining economic prosperity. The so-called “expertise” of the administrative state is not expertise at all but simply politics unbridled: it is liberal hegemony divorced from democratic accountability.

The only prescription for the administrative state is *deconstruction*. Dismantling. Eliminating at least some of the nearly 2 million civilian federal employees (let alone the legions of federal contractors) who comprise the unaccountable and uncontrolled administrative state.

A future Republican president cannot deconstruct even a portion of the federal bureaucracy without significant preplanning that begins well before assuming office.

Any Republican presidential candidate must catalog a list of obsolete federal agencies and programs and articulate to the American people the waste and excess required to maintain these frivolous bureaucratic outlets.

At the same time, a future Republican president must be willing to articulate a broader vision for deconstructing significant portions of all federal agencies, including recruiting cabinet officials who are committed to downsizing their agencies.

Realistically, as the experience of the Trump Administration shows, a project to deconstruct the administrative state will depend on the participation of Congress in order to be successful. Taking down even a single regulation requires considerable effort and carries little guarantee of success, as shown by the Trump Administration’s track record in legal challenges to deregulatory efforts. Taking down entire swaths of the federal bureaucracy will face even greater obstacles, including in the form of legal challenges from career federal employees, many of whom are unionized and enjoy special employment protections. Significant policy reforms can proceed only from possession of significant political power. The greatest inroads will be made against the administrative state when the coordinated power of *two* branches can be brought to bear against it.

A tangible deconstruction along these lines will only be possible if conservatives begin by deconstructing the *mindset* of the administrative state. Rule by experts is foreign to our constitutional separation of powers; it is incompatible with democratic accountability and legitimacy; and it has proved itself a failure in our own lifetimes. The political branches and the states must be returned to their lawmaking power, and conservatives must relearn to express confidence in that power.

Conservatives must accept that some things simply will not be done by a smaller administrative state, *and that is the point*. Policies that can be achieved only through tyranny are too costly. To the extent that they deserve to be pursued, they must be housed in branches or levels of government sufficiently responsive to the people and their elected representatives so that tyranny is averted.

How does this translate into actionable policies for a new Republican administration? With difficulty, of course, but some measures come to mind, particularly where a Republican-led executive branch can work cooperatively with a Republican-led Congress.

First, draft and pass legislation to require a universal sunset for all agency regulations. As it stands, agencies enact regulations frequently but rarely take any down (and, as the experience of the Trump Administration shows, taking down regulations is fraught with legal challenges and is not guaranteed to succeed). Yet many good reasons exist for revisiting regulations at some point after their enactment. When regulations are enacted, predictions about their costs, benefits, and effectiveness are speculative at best. Fifteen years on, more can be said about whether a particular regulation has been justified. Mandatory sunsets also require Congress to act if a regulation is to be retained, which restores at least some measure of democratic accountability to a bureaucracy that has been allowed to otherwise run amok.

Second, repeal and reverse large portions of the Pendleton Civil Service Reform Act of 1883 and the Civil Service Reform Act of 1978, with the imposition of term limits for bureaucrats. These acts standardized federal government hiring and required that bureaucrats be primarily hired as nonpolitical positions of expertise. This has had the effect of stultifying the bureaucracy, turning hiring into a quota system and exacerbating the problem of unaccountable bureaucrats remaining in their posts for a lifetime. These reforms could have the advantage of surprise, an advantage already squandered for the Schedule F reforms, which the Trump Administration pursued by executive order and the Biden Administration immediately rescinded. Much attention has been paid to Schedule F reforms, allowing the Left to mount a public relations counterattack. But finding new ways to control the bureaucracy could allow for the element of surprise once again.

Third, Republicans should ban or restrict public-private partnerships in governance. The idea is a radical one because, at present, both the Left and the Right support these kinds of arrangements. Because government is perpetually behind the private sector in terms of technology, sophistication, innovation, and general capabilities—so the thinking goes—partnering with the private sector to provide government services allows the government to compensate for its inadequacies. But this compensation means that government remains able to grow its mandate despite its ineptitude, fanning into an ever-more-expansive oversight of Americans' lives, *and* it does so at the cost of sharing data with private sector businesses that desperately seek to own and profit from it.

Consider the Obamacare exchanges, for example, which are run by private entities and host the personal health, financial, employment, and other data of *millions* of Americans—data that private entities are happy to contract with the federal government to control. These kinds of partnerships present increasing threats to the American people (including the threat of a growing and unaccountable federal bureaucracy) even as they decrease in visibility (think “government” websites owned and operated by private entities, with consumers none the wiser). Congress can and should exercise oversight over whether and how the federal government outsources its work to the private sector because private sector innovation and nimbleness allow the administrative state to do things that are beyond its capabilities. Obviously, some nuance is required, because the Department of Defense cannot help but contract with private entities to build military aircraft, and no one would suggest otherwise. Yet the proliferation of public-private partnerships for the purpose of growing government and ceding Americans’ data to the private sector is a real problem and one that deserves the attention of any future Republican administration.

These reforms require Congressional cooperation and significant preparation in advance of a Republican presidential administration. But if accomplished, they promise durable change to the administrative state. To be clear: their success depends on the wholesale rejection of the Landis premise and a complete commitment to the urgent necessity of dismantling the administrative state. Upending the belief that only rule by experts can accomplish the aims of modern governance must be the goal of any future Republican administration.

This article first appeared in the American Greatness of June 24, 2023. Theodore Wold is a former Deputy Assistant to the President for Policy in the Office of American Innovation in the Trump administration. Wold clerked at the United States Court of Appeals for the District of Columbia Circuit for Judge Janice Rogers Brown and the United States District Court for the District of Puerto Rico for Judge Jose Antonio Fuste. He has also lectured at the Universidad Francisco Marroquín in Guatemala.



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REPEAL **THE DEATH TAX**

Repeal the Death Tax initiative has been filed with the Attorney General; Public comments accepted through July 17

We have officially filed the Repeal the Death Tax initiative with the Attorney General's office and the public comment period is open! You can tell the Attorney General, "I support Initiative 23-0005."

This important initiative will restore the ability of parents to transfer their home and a limited amount of other property to their children without any change to the property tax bill. It will also restore the same rights for grandparents if the children's parents are deceased. As you know, these constitutional rights that Californians had for decades were taken away by Proposition 19, which passed narrowly in 2020. Voters were not told that Prop. 19, in addition to protecting seniors and wildfire victims, was also the largest property tax increase in California history.

The Repeal the Death Tax initiative will restore the rights that were lost but will not change the other parts of Prop. 19. It will be retroactive, meaning people whose property was reassessed for a parent-child transfer will be able to get their property's original trended base-year value back again, as if the reassessment had not taken place.

Repeal the Death Tax is now Initiative Number 23-0005. The title and summary will be released on approximately August 21, after which signature collection will begin. The Attorney General's office will accept public comments about the Repeal the Death Tax initiative through July 17, 2023. **If you'd like to submit a public comment about the initiative, you can simply say that you support Initiative 23-0005, or you can tell your own story about why the Repeal the Death Tax initiative is so important to protect California families from unaffordable tax increases when a parent passes away.**

Some general guidelines about making public comments: It's always most effective to be polite (public comments are a public record), and to tell your story in your own words. You can be very brief if you choose. It's helpful just to say, "I support Initiative 23-0005."

[Click here to submit a public comment: https://oag.ca.gov/node/add/initiative-comment/568094](https://oag.ca.gov/node/add/initiative-comment/568094)

If you'd like to read the initiative, you can see it on the Attorney General's website at this link: <https://oag.ca.gov/system/files/initiatives/pdfs/23-0005%20%28Death%20Tax%29.pdf>

For more information and downloadable flyers, please visit our website at www.RepealTheDeathTax.com.

The HJTA team is working right now on the campaign to launch the signature collection effort, and we'll have much more to tell you in the coming weeks. We appreciate everything you're doing to spread the word that the petitions are coming in August. If you'd like to support the campaign with a donation, that will help us buy more advertising to ensure that we get the signatures we need as fast as we can. [Click here to donate online: https://www.efundraisingconnections.com/c/RepealtheDeathTax/](https://www.efundraisingconnections.com/c/RepealtheDeathTax/)

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Join COLAB or contribute by control clicking at: [COLAB San Luis Obispo County \(colabslo.org\)](https://colabslo.org) or use the form below:

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: _____