Opinion: California fosters bad business climate

By Bradley R. Schiller

In its most recent annual ranking of “business friendly” states, *Forbes* magazine had some blunt advice for investors: “Utah and Colorado have maintained strong business climates. Forget about California.”

Californians like to dismiss such assessments of the Golden State and instead point to its natural beauty and quality of life. They tend not to worry what people in other states think. But they should. California is no longer the economic miracle it once was. Silicon Valley no longer has a monopoly on high-tech talent and innovation. Hollywood has to compete for movie locations with Utah and Morocco. Real estate investors see better development prospects in states with fewer foreclosed and abandoned homes. And SoCal porn producers know they don’t need huge wardrobe containers to move to Nevada.

Californians tend to be complacent about these competitive risks. On the surface, things don’t look too bad. Sure, the state’s finances are in shambles and the Legislature in disarray. But median personal income ($42,578) is well above the national average ($39,945).

These things can’t compensate for some disturbing recent trends. The growth of the state’s $2-trillion economy has slowed dramatically. Since 2000, the state’s economy has grown significantly more slowly than the rest of the nation. Last year, California ranked 34th in real GDP growth. That sluggish growth has burdened it with among the highest unemployment rates (10.9 percent) in the nation. If businesses heed Forbes’ advice to avoid the state, the situation will only worsen.

Bradley R. Schiller is a native Californian who lives in Lake Tahoe and teaches economics at the UNR. He is the author of "The Economy Today."

Read the whole story

Opinion: California should be more like Texas

By Chuck DeVore

One in five Americans calls California or Texas home. The two most populous states have a lot in common: a long coast, a sunny climate, a diverse population, plenty of oil in the ground, and Mexico to the south. Where they diverge is in their governance.

For six years ending in 2010, I represented almost 500,000 people in California's Legislature. I was vice chairman of the Assembly Committee on Revenue and Taxation and served on the Budget Committee. I was even a lieutenant colonel in the state's National Guard. Before serving in Sacramento, I worked as an executive in California's aerospace industry.

I moved to Texas late last year, joining the 2 million Californians who have packed up for greener pastures in the past ten years, with Texas the most common destination.

In his State-of-the-State address this January, California Gov. Jerry Brown said, "Contrary to those declinists who sing of Texas and bemoan our woes, California is still the land of dreams. … It's the place where Apple … and countless other creative companies all began."

Fast forward to March: Apple announced it was building a $304 million campus in Austin with plans to hire 3,600 people to staff it, more than doubling its Texas workforce.

California may be dreaming, but Texas is working.

California's elected officials are particularly adept at dreaming up ways to spend other people's money. While the state struggles with interminable deficits caused by years of reckless spending, the argument in Sacramento isn't over how to reduce government; rather, it's over how much to raise taxes and on whom. Brown is pushing for a tax increase of $6.9 billion per year, to appear on November's ballot. California's powerful government-employee unions and Molly Munger, a wealthy civil-rights attorney (wealthy by dint of being the daughter of Warren Buffett's business partner) are offering two competing tax-hike plans. The silver lining may be that having three tax hikes on the ballot will turn voters off all of them.

Meanwhile, lawmakers in Texas are grappling with a fiscal question of an entirely different sort: whether or not to spend some of the $6 billion set aside in the state's rainy-day fund.

California's government-employee unions routinely spend tens of millions of dollars at election time to maintain their hold on power. In Texas, the government unions are weak and don't have collective bargaining, leaving trial attorneys as the main source of funding for Lone Star Democrats.

California's habit of raising taxes to fund a burgeoning regulatory state isn't without impact on its economy. Californians fork over about 10.6 percent of their income to state and local governments, above the U.S. average of 9.8 percent. Texans pay 7.9 percent. This affects the bottom line of both consumers and businesses.

With that money, Californians pay for more government. The number of non-education bureaucrats in California is close to the national average, at 252 per 10,000 people. Texas gets by with a bureaucracy 22 percent smaller: 196 per 10,000.

Of course, having more government employees means making more government rules. According to a 2009 study commissioned by the California legislature, state regulations cost almost $500 billion per year, or five times the state's general-fund budget. These regulations ding the average small business for some $134,122 a year in compliance and opportunity costs.

While California has more bureaucrats, Texas has 17 percent more teachers, with 295 education employees per 10,000 people, compared to California's 252.

The two states' educational outcomes reflect this disparity. If we compare national test scores in math, science, and reading for the fourth and eighth grades among four basic ethnic and racial categories – all students, whites, Hispanics, and African-Americans – Texas beats California in every category, and by a substantial margin. In fact, Texas schools perform consistently above the national average across categories of age, race, and subject matter, while California schools perform well below the national average.

Apologists for the Golden State frequently point to Texas's flourishing oil and gas industry as the reason for its success. Texas does lead the nation in proven oil reserves, but California ranks third. The real difference isn't in geology but in public policy: Californians have decided to make it difficult to extract the oil under their feet.

Further, contrary to popular opinion, California's refineries routinely produce a greater value of product than do refineries in Texas, mainly because the special gasoline blends that California requires are more costly.

Another advantage that Texas enjoys over California is in its civil-justice system. In 2002, the U.S. Chamber of Commerce ranked Texas's legal system 46th in the nation, just behind California's, which was 45th. Texas went to work improving its lawsuit environment, enacting major medical-malpractice reforms in 2003. Texas's ranking consequently jumped 10 places in eight years, while California's dropped to 46th. In the last legislative session, Texas lawmakers passed a landmark loser-pays provision, which promises to further curtail frivolous lawsuits.

While California seeks more ways to tax success, it excels at subsidizing poverty. The percentage of households receiving public assistance in California was 3.7 percent in 2009, double Texas's rate of 1.8 percent. Almost one-third of all Americans on welfare reside in California.

With this in mind, it makes perfect sense that only 18 percent of the Democrats who control both houses of California's full-time legislature worked in business or medicine before being elected. The remainder drew paychecks from government, worked as community organizers, or were attorneys.

In Texas, with its part-time legislature, 75 percent of the Republicans who control both houses earn a living in business, farming, or medicine, with 19 percent being attorneys in private practice. Texas Democrats are more than twice as likely as their California counterparts to claim private-sector experience outside the field of law.

That Texas's Legislature is run by makers and California's by takers is glaringly obvious from the two states' respective balance sheets.

Chuck DeVore served in the California Assembly from 2004 to 2010 and was a Republican candidate for the U.S. Senate in 2010. He is currently a visiting senior fellow in fiscal policy at the Texas Public Policy Foundation.

Opinion: Feds have no business regulating news content

By Corydon B. Dunham

The FCC is poised to resurrect broad censorship rules that were revoked in 1987 because of their chilling effect on both free speech and the television press.

The proposed new Localism, Balance and Diversity Doctrine could eventually also affect news on the Internet. The FCC is reportedly planning to transfer the broadcast spectrum used by local television to the Internet to make it the nation's primary communications platform, and the agency has started to regulate the Internet.

In my book "Government Control of News: A Constitutional Challenge" I recount the evolution of government control of television news and the Fairness Doctrine. The book, the result of a study initiated at the Woodrow Wilson International Center for Scholars at the Smithsonian Institute, examines the history of the Fairness Doctrine – the rules by which the federal government regulated TV journalism. Similar rules had governed radio news since 1934 and were applied to TV in 1949 by the Federal Communications Commission.

TV was a powerful new medium and there were only a few broadcast stations in many communities. It was thought that this gave unusual power to station and network owners. The government justified the Fairness Doctrine as a way to ensure stations aired opposing viewpoints on issues.

But what was touted as an attempt to encourage robust discourse became a tool for censoring the news.

If a complaint was made about a view that had been broadcast, the FCC investigated. If it concluded that a view should be changed, it ordered that. If it concluded other views should be presented, or even related issues, it ordered that.

Failure to comply could result in no license renewal, renewal for a shorter period of time, or a “negative record” applied at renewal time.

In 1987, the FCC unanimously revoked the Fairness Doctrine, with court approval, after finding it had deterred news reporting on controversial issues, and had repeatedly been used to suppress viewpoints and help some officials pursue their own political objectives.

After two decades of failed attempts in Congress to revive the Fairness Doctrine, support began building anew. In 2008, the FCC released a new proposed body of rules for TV news – the Localism, Balance and Diversity Doctrine.

It has many of the same characteristics of the old Fairness Doctrine and can be expected to have similar results. News broadcast by television stations would have to meet government criteria for “localism” – local news production and coverage – as well as a regulatory balance and diversity of viewpoints. A three-vote majority of five FCC commissioners at a central government agency would make local news judgments and override those of thousands of independent, local TV reporters and editors.

It would also be enforced by having a local board at each station monitor programming, including news, and recommend against license renewal if the station did not comply with FCC policy.

In 2011, the FCC-sponsored Future of Media Study recommended the localism doctrine proceeding be ended. The present chief of the White House regulatory office has long recommended that the government regulate news to advance its political and social objectives.

There is unprecedented silence from the FCC about its plans for television news in this country.

TV is not the only medium potentially affected.

At the end of 2010, the FCC decided to take over regulation of the Internet in this country. It will regulate its traffic and gain some power to review content.

The president, Congress and the FCC have also agreed to transfer the entire broadcast spectrum (currently used by TV stations) to the Internet over the next 10 years. If the localism doctrine is adopted, it could apply to the Internet and its participants as users of the FCC-controlled spectrum.

Requiring journalists to comply with a central government agency's policy on how to report the news means those journalists will no longer be free and independent.

As the Fairness Doctrine broadcast history shows, the threat of loss of license will deter station news coverage, particularly of controversy, and the public will lose news and information.

If the broadcast press is not free and independent of government, it cannot act as a watchdog for the public, which is its constitutional role.

Corydon B. Dunham is a Harvard Law School graduate. His "Government Control of News" study was expanded and developed for the Corydon B. Dunham Fellowship for the First Amendment at Harvard Law School and the Dunham Open Forum for First Amendment Values at Bowdoin College. Dunham was an executive at NBC from 1965 to 1990. He oversaw legal and government *matters and Broadcast Standards.*

Opinion: Attorneys don't appear to be telling the truth about pot laws

By Steve Kubby

Are California's four U.S. attorneys telling us the truth about federal marijuana laws? Here are quotes from the feds, as well as evidence to refute their allegations. Judge for yourself if these federal prosecutors are acting in a lawful manner:

"All marijuana cultivation and sales are illegal under Federal law."

Congress has recently allowed Washington, D.C., to legalize, not just decriminalize, medical marijuana, while denying California the same rights. As a result, the feds are engaging in raids, prosecutions and asset forfeiture against California dispensaries, despite being in compliance with state law, while allowing dispensaries in D.C. to operate legally and without any Federal threats or raids whatsoever. This directly violates our First Amendment right for our vote to be counted just as much as the vote in D.C. Furthermore this violates the equal protection clause of the Fourteenth Amendment.

Steve Kubby

“Congress has determined that marijuana has no medical use within the United States.”

Any claim by Congress that marijuana does not have legal medical use ended when Congress chose to allow Washington, D.C., to legalize the medical use of marijuana.

“Federal law trumps state law when it comes to the Controlled Substance Act.”

The U.S. Supreme Court has ruled in Gonzales v. Oregon, that the United States attorney general could not enforce the federal Controlled Substances Act against physicians who prescribed drugs, in compliance with Oregon state law, for the assisted suicide of the terminally ill. Furthermore, the U.S. Supreme Court has had three opportunities to declare the Compassionate Use Act unconstitutional yet they have refused to do so. Their legal decisions have clearly upheld that the People of California have every right to legalize the possession and cultivation of marijuana for medical purposes.

“The Constitution does not provide any right to use marijuana.”

The Ninth Amendment of the United States proclaims: “The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.” In other words, the power and authority of the federal government cannot be used to prohibit our right to use or grow a natural healing herb.

“The U.S. attorneys have the right to ignore state law.”

Barring a decision by a court of competent jurisdiction, the U.S. attorneys are in direct violation of the California Constitution, which requires that any changes to a voter initiative must be submitted to the voters of the state and approved by them. Thus, no city attorney, nor city council, nor board of supervisors, nor sheriff, nor district attorney, nor legislature, nor attorney general, nor governor, nor U.S. attorney has the legal right to change the state's medical marijuana law. Only the voters can change or modify this law. Thus, almost all of the U.S. attorney's limits on medical marijuana are a direct violation of the state constitution.

"California is obligated by the supremacy clause to enforce federal law over state law."

Any such action by California police or agencies is a direct violation of the California Constitution. According to Article 3, Section 3.5 such actions are strictly forbidden:

An administrative agency, including an administrative agency created by the Constitution or an initiative statute, has no power:

(a) To declare a statute unenforceable, or refuse to enforce a statute, on the basis of it being unconstitutional unless an appellate court has made a determination that such statute is unconstitutional; (b) To declare a statute unconstitutional; (c) To declare a statute unenforceable, or to refuse to enforce a statute on the basis that federal law or federal regulations prohibit the enforcement of such statute unless an appellate court has made a determination that the enforcement of such statute is prohibited by federal law or federal regulations.

"This is not what the people of California voted for when they passed Proposition 215."

Actually, voters were admonished by police and prosecutors that passing Prop. 215 would result in full marijuana legalization. James P. Fox, president of the California District Attorneys Association solemnly warned voters, in the 1996 official ballot arguments opposing Prop. 215, "This initiative allows unlimited quantities of marijuana to be grown anywhere … in backyards or near schoolyards without any regulation or restrictions." Because this was the president of all the district attorneys in California and a publicly recognized authority on the law. Voters trusted his opinion and that this is how all the state district attorneys would interpret the new law, if approved by voters.

"The 'unregulated free for all' that has allowed marijuana growers and merchants to make fortunes must come to an end."

The notion that California must crack down on medical marijuana and pass restrictive laws to reign in an out of control 'green rush' is pure government propaganda, intended to scare Californians into taking drastic measures that will only harm patients and further damage our economy.

Any further efforts to restrict medical marijuana must be viewed as the product of fear and intimidation, which will only result in more arrests and incarcerations of sick, disabled and dying patients. Appeasing bullies doesn't work in the schoolyard and it certainly won't work with the feds.

Steve Kubby is CEO of Strategic Campaigns LLC.

Opinion: Importance of leading a child to healthy eating

By Sadie Barr

Something curious happens when we reduce fat, sugar and salt from school food and replace it with less processed options – kids won't eat it.

Their over-salted, hyper-sweetened and fat-laden palates have been primed by years of beige and orange food in the lunchroom to shun anything that tastes like real food. They are rebelling against the absence of chicken fingers, French fries and tater tots. Unfortunately, some schools listen.

As someone who works in school lunchrooms in Washington, D.C., where the school-food requirements are much stricter than the national standards thanks to the Healthy Schools Act, I see this every day. Just last week, I was at an elementary school when butternut squash was served. Hardly a child would touch it. When I asked students why they weren't eating it, they claimed that they didn't like it. When prodded, most would admit that they had never tried it. Once I explained to them what it was, how the beta carotene can help them see in the dark (white lies never hurt), and bribed them with stickers, they tasted it, and many exclaimed: "It's good!"

It is hoped that they'll eat it the next time with minimal prodding.

Sadie Barr manages school meal programs for 15 public and charter schools in the Washington, D.C., area.

Read the whole story

Opinion: We must be aware of

planet’s plight

By Conrad Anker

Ten years ago, the percentage of Americans who believed in anthropogenic global warming stood at 75 percent. Fast-forward a decade to 2011 and the number dropped to 44 percent. Has the amount of CO2 in the atmosphere decreased 31 percent in 10 years? The poll, conducted by Harris Interactive, is indicative of the battle being waged over climate change.

Lee Atwater, Republican strategist, coined the phrase, “Perception is reality.” We believe what is comforting. While soothing, it might not necessarily be factual. Build into this the persuasive power of advertising, and it is easy to understand why climate change and the related facts are less important to citizens of the United States. Where, as perception can vary according to one’s views, certain empirical measurements, based on the principle of scientific observation, are fact.

Drought, by any measure, isn’t fun. While we enjoyed a robust winter in southwest Montana last year, the paucity of snow is this winter’s opening line to many conversations. While low snow affects winter recreation, the greater concern is water available for domestic and agricultural needs. The intense two-week cold snap, a signature Montana event straight out of an Ivan Doig novel with 40-below temperatures, has not been part of the current winter. The ease of not having to warm up the car and being able to maintain comfort in the house with a lower energy bill are obvious benefits. The same ease also benefits the pine bark beetle. The colder temperatures needed to keep the bugs at bay are absent. For the regional forests this translates into more standing dead timber, which coupled with a dry summer, equates to a greater risk of wildfire.

On a global level, 2011 was the 10th warmest year on record and saw an unprecedented level of extreme weather events. From the flooding in Australia, Thailand and Mississippi, to the heat waves in Russia and Texas, to the devastation of Hurricane Irene in New England and southern Canada, climate chaos has created a fair amount of hardship and in turn economic duress. The general warming trend has continued unabated. Thirteen of the warmest years since 1880 have occurred in the past 15 years. The World Meteorological Organization will publish the final figures for 2011 weather events in the coming weeks.

Conrad Anker is a mountaineer and author. He lives with his family in Bozeman.

Read the whole story

Opinion: Candidates not connecting with the middle class

By Scott Rasmussen

Nearly every national political campaign emphasizes the importance of connecting with the middle class. So how come in the 2012 presidential race, none of the candidates are able to make that connection?

A hint may be found in the results of a Rasmussen Reports survey showing that just 27 percent of voters nationwide believe government management of the economy actually helps the economy. Fifty percent think government economic activism does more harm than good.


Scott
Rasmussen

What is especially interesting about the data is the income demographic. Upper-income Americans are evenly divided as to whether government management of the economy helps or hurts. Middle-income Americans, on the other hand, overwhelmingly view government management of the economy as hurtful.

The affluent, perhaps because they can easily gain access to the policymakers, are OK with government management of the economy. They want it done well, and many want it done in a way to benefit their own interests. That’s why a plurality of Americans now believe the United States has a system of crony capitalism rather than free-market competition.

The middle class, without friends in Congress or on Wall Street, has an entirely different view. Broadly speaking, it see the federal government as a burden weighing down both the economy and the middle class. To help the economy, most simply want to reduce the burden. Seventy-seven percent of voters think that the government could help the economy by reducing the deficit. Seventy-one percent think it would help to reduce government spending, and 59 percent think tax cuts would help.

So when a politician talks of helping the middle class with a new government program, it just doesn’t ring true.

Most candidates miss this distinction because they tend to hang out with more affluent Americans. They tend to discuss how to make government work rather than how to make the nation work. To some, an issue like the price of gas is primarily a question of how it will impact potential investments in alternative fuels or whether higher gas prices are good because they encourage conservation.

To the middle class, the question of gas prices is much different. Data from the Discover Consumer Spending Monitor shows that half of all Americans don’t have any money left over after paying their basic bills each month. For these Americans, rising gas prices force unpleasant lifestyle changes.

To connect with the middle class requires understanding the middle class. Franklin Roosevelt did this in the 1930s. As he expanded the role of the federal government, he explained it in a manner that made sense. His greatest achievement, Social Security, was not sold as a government handout but as an insurance program with people setting aside money during their working years that could be drawn down in retirement. That attitude still resonates with 21st century Americans.

In the 1980s, Ronald Reagan understood the rising frustration with an ever-expanding government. In his first inaugural address, he said, “Government is not the solution to our problem; government is the problem.” Six out of 10 voters still agree.

America is still looking for the 21st century candidate who can connect with the middle class.

Scott Rasmussen is founder and president of Rasmussen Reports. He is a political analyst, author, speaker and, since 1994, an independent public opinion pollster.

Opinion: KidZone Museum in financial quagmire

To the community,

This is the first time in seven years we have had to ask our families for emergency support. We are critically low on funds and have already completed all our major fundraising.

However, donations were lower than expected due to the economy and we currently only have $7,000 in our bank account and our staff and myself have already cut our hours to help with this situation.

Our unexpended government grant is restricted to science programs and one science employee. This money is not in the bank – we spend it and the grantor reimburses us. We need to raise $10,000 until additional funding comes in June. We have never had reserves, and always live month-to-month on a very conservative budget. We have been conservative in our expenses, but it does not take much to be in our current situation.

The good part is, it does not take much to get us above water either. If you can give the museum a donation this week, it will help us tremendously. Contact me or you can send your donation to 11711 Donner Pass Road, Truckee, CA 96161.

Appreciatively,

Carol Meagher, KidZone Museum executive director

Opinion: Barton steps up to serve community

To the community,

Bread & Broth would like to thank Barton Public Relations for their continued support in our Adopt-A-Day of Nourishment Program.

Volunteers from Barton spent their Monday helping Bread & Broth volunteers serve those in need a well balanced nutritious meal to people from the community. These volunteers, and all the others from our town have been very generous in their efforts to help our cause. The Bread & Broth staff that Monday was excited that the Barton Public Relations were there to offer their support for our Adopt-A-Day of Nourishment through the Bread & Broth program.

Bread & Broth is able to continue its mission of feeding the hungry of South Lake Tahoe in large part because of the generosity of the local community. A $250 sponsorship covers the cost of food and beverages for the approximately 100 people who visit each Monday evening. To find out how your family or business can Adopt A Day of Nourishment, contact Connie Blue at midwest2tahoe@yahoo.com or (530) 544.4945.

Bread & Broth

Opinion: Federal water act

makes sense

By Kevin McCarthy, Devin Nunes and Jeff Denham

The man-made drought in California is no secret. Burdensome environmental regulations restricting water pumping in the Sacramento-San Joaquin River Delta have contributed to hundreds of thousands of acres of fertile farmland going fallow in recent years.

During California's 2007-2009 drought, the Democratic majority and the Obama administration stood on the sidelines while farmers were forced to forgo planting, joblessness rose and families stood in food lines. It was a huge relief last year when we had abundant rain and snow, but instead of using 100 percent of that water for farming and storage, millions of acre-feet of water were allowed to be lost into the ocean.

This year is looking to be as dry as they come, and without adequate storage, we will continue to see the problem of water shortages year after year. We must act now to ensure that our communities get every drop of water possible to grow the crops that feed America and create the jobs that support families and local economies.

The U.S. House of Representatives did just that on Feb. 29 by passing the Sacramento-San Joaquin Valley Water Reliability Act. If enacted, this bill will get water flowing in California and increase water storage for future years. Right now, water traveling through the delta has been reduced from a gush to a trickle because environmentalists care more about protecting fish than putting Californians back to work. Protecting ecosystems is important, but so are the crops that help feed America and produce jobs that promote economic recovery in our state. This bill takes the zealotry out of these environmental restrictions and puts California's water delivery system on more balanced and reliable footing.

Reps. Kevin McCarthy, R-Bakersfield; Devin Nunes, R-Tulare; and Jeff Denham, R-Merced, represent the Central Valley in the U.S. House of Representatives.

Read the whole story