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January 21, 2021

The Honorable Joseph R. Biden Jr. President of the United States of America 1600 Pennsylvania Avenue, N.W. Washington, DC 20500

Dear President Biden,

Congratulations on your inauguration. In your Inaugural Address, you called "the truth" one of the "common objects we love that define us as Americans." You added, "There is truth and there are lies." In the spirit of your remarks, I am writing to correct several inaccuracies in a January 19 letter sent to you by the Governor of my State, Gavin Newsom.

Page 1, paragraph 1: Governor Newsom states California is "a model for what's possible."

In fact, California's own residents see it as a model that has failed:

- California just had its slowest population growth in a century, losing a net 135,600 people to other states. Mark Baldassare with the nonpartisan Public Policy Institute called the numbers "really startling" and a "wake-up call" for policymakers, saying "this isn't the Golden State of the past" where people came from all over "to find their way to the California dream."
- A study this month by U-Haul ranked California "last by a wide margin" out of the 50 states in terms of migration growth.²
- A recent survey showed 53 percent of Californians were thinking of leaving the state.³
- In a poll last month, 63 percent of respondents said the American Dream is dead here: that kids growing up in California today will be worse off than their parents.⁴

Page 1, paragraph 1: California is "implementing progressive policy on everything from workers' rights to climate change."

In fact, California has the nation's most regressive policy outcomes:

- The highest poverty rate.⁵
- The largest homeless population, with up to half the nation's unsheltered homeless.⁶
- The second worst education for poor students, ahead of only Alaska.⁷

• Nearly the widest income inequality, 8 made much worse by the state's response to COVID-19.9

Page 1, paragraph 3: "We stand ready to assist your administration by highlighting many of the policy innovations we advanced in the Golden State to help you scale them nationally."

In fact, these "innovations" have been rejected by other states and the people of California:

- After California passed AB 5, a ban on most independent contracting, New York
 Governor Andrew Cuomo said he didn't want to make "the same mistake as California."
 The liberal Daily Kos likewise warned other states, "Don't make the mistake California's
 Gavin Newsom did."
- In last November's election, California voters passed four different Propositions rejecting acts of the Legislature, including overriding AB 5. Voters also rejected another three Propositions sponsored by the state's dominant Special Interest groups.

Page 1, paragraph 5: "We accelerated our clean air efforts" and "made record investments in wildfire mitigation."

In fact, California has the nation's least clean air and most severe fires:

- California's catastrophic wildfires are routinely the worst in the nation. 10
- California has the nation's worst air quality, thanks in large part to these fires. 11
- The state's nonpartisan Little Hoover Commission has connected wildfire risk to the fact that "California's forests suffer from neglect and mismanagement, resulting in overcrowding." Over 20 million acres of land need "fuel reduction treatment to reduce the risk of wildfire." 12

Page 1, paragraph 5: "We are strengthening our state by investing in California's High Speed Rail project."

In fact, the High-Speed Rail Project is nowhere close to operating after nearly a decade and a half:

- The project is now at least 13 years behind schedule, tens of billions of dollars over budget, and will apparently need subsidies to operate if ever completed.¹³
- Just last week, the LA Times obtained a "scorching 36-page letter" from one of the project's top contractors, reporting that "a multitude of problems have remained unresolved for years," warning that a key 2022 deadline could be missed, and calling continued delays "beyond comprehension."¹⁴

Appendix 1, bullet 1: "We urge you to release all available vaccines as soon as possible."

In fact, California is failing to deliver the doses it's been given:

- California has only administered 36.8 percent of the doses it has received, which ranks last among the 50 states, with millions of unused doses.¹⁵
- In recent days, the LA Times reports, there's been a "chaotic scramble, with elderly Californians trying to sign up on websites that crashed or showing up at pharmacies for vaccines that they were not yet able to receive in their counties." ¹⁶
- This mirrors California's performance on many other facets of the public health response to COVID-19, including testing, ¹⁷ healthcare capacity, ¹⁸ and protecting vulnerable populations. ¹⁹

Appendix 1, bullet 2: "One of California's top priorities is safely reopening our schools."

In fact, California has the nation's most severe school closures:

- California is one of the few states in the country with a statewide school closure order. ²⁰
- Just last week, the state imposed new requirements that will force additional closures among the few districts that are currently open.²¹
- School shutdown policies have widened California's achievement gaps, already among the worst in the nation.²²

Appendix 1, bullet 3: "California has done its best with limited state general funds to support small businesses that have been negatively impacted by the COVID-19 pandemic."

In fact, California has a massive budget and the nation's most anti-small business policies:

- California's state general funds, far from being limited, nearly doubled in the last decade, and the state's erratic finance system has now produced a \$15 billion "surplus." ²³
- California's "most restrictive" lockdown is "inflicting the most devastation" anywhere in the country "on small businesses and the most economically vulnerable service workers."²⁴
- California "continues to suffer a significant exodus of employers to other states, who are seeking lower taxes, fewer regulatory burdens, more affordable housing for employees, and reduced employment litigation."²⁵
- Even before COVID-19, California consistently ranked as the worst state to do business in the country. ²⁶

Appendix 1, bullet 3: California is "enabling people to get back to work."

In fact, California is keeping people out of work more than any state:

- California has had nearly the nation's worst unemployment throughout the COVID-19 pandemic.²⁷
- California has continued to fund and enforce AB 5 during COVID-19, against the advice of 200 Ph.D. economists, keeping people needlessly out of work.²⁸
- Even before COVID-19, California more "broadly and onerously" put up barriers to work than any other state. 29

Appendix 1, bullet 4: "California is doing its part to help struggling residents pay the bills."

In fact, California's "EDD" unemployment office has stopped millions of Californians from paying the bills:

- The EDD has become a national poster child for government failure, keeping millions of Californians waiting for benefits.³⁰
- A bipartisan group of 61 legislators wrote Governor Newsom a letter stating, "Millions of our constituents have had no income for months. As Californians wait for answers from EDD, they have depleted their life savings, have gone into extreme debt, and are in deep panic as they figure out how to put food on the table and a roof over their heads."³¹
- At the same time, prisoners perpetrated a fraud scheme with losses to the state as high as \$9.8 billion.³² This was possible because the Administration was not cross-checking claims with prison rolls as the vast majority of states were and as the federal government had advised.³³

Appendix 1, bullet 6: "Congress failed to provide flexible funds to local governments."

In fact, California itself has failed to deliver funds equitably to local governments:

• The State Auditor just released a report showing that the state distributed \$9.5 billion in coronavirus relief funds in a way that "resulted in smaller counties receiving significantly less funding per person than larger counties"—barely half the amount.³⁴

Appendix 2, bullet 1: "California has charted a successful path on homelessness"

In fact, homelessness in California keeps getting worse:

- In 2019, homelessness would have gone down nationwide if growth in California hadn't overwhelmed declines in the rest of the country.³⁵
- In February 2020, Gov. Newsom himself called California's worst-in the-nation homelessness a "disgrace." 36
- During the pandemic, "squalid encampments have only gotten larger, fueled by COVID-spurred prison and jail releases and an unprecedented economic shutdown that community leaders say has landed scores more people on the streets."³⁷
- The nonpartisan Legislative Analyst just released a report criticizing the Governor for continuing to "focus on one-time solutions." The reported concluded: "As we have said previously, a clear, long-term strategy would make it more likely that the state's investments would have a meaningful ongoing impact." 38

Appendix 2, bullet 3: "California is on a path to accelerate the state's transition to a resilient, equitable, carbon neutral future that creates economic prosperity."

In fact, California has made energy unaffordable while blocking clean, renewable sources:

• California has the nation's highest gas prices³⁹ and among the highest electricity costs.⁴⁰

- Nuclear and large hydropower don't count for meeting the state's clean energy requirements despite being emission-free.⁴¹
- California is taking its last nuclear power plant offline.⁴²

Appendix 2, bullet 5: "California is eager to pursue a transformative vision to overhaul our Medicaid system."

In fact, California's ineffective Medicaid system is only getting costlier:

- Because of California's high poverty, one third of the population is on Medi-Cal. 43
- Between 2011 and 2019, Medi-Cal spending increased by \$64 billion, yet researchers at the National Bureau of Economic Research did "not detect significant improvements of patient health."

Appendix 2, bullet 6: "California has led on pro-immigrant actions."

In fact, California's restrictions on economic opportunity harm immigrants:

- Immigrant-owned small businesses have been hard-hit by California's harshest-in-thenation lockdowns.⁴⁵
- AB 5 and other barriers to work harm immigrant workers and cut off services on which they rely.⁴⁶

Appendix 2, bullet 7: "We want to work with your Administration to ensure that all children have access to quality early education."

In fact, California's education outcomes are the worst and most inequitable in the nation:

- California ranked 46th, 48th, 47th, and 47th in 4th and 8th grade math and reading.⁴⁷
- The state's performance is even worse for students in underserved communities.⁴⁸
- This underperformance has been compounded by extended school closures.

If you are seeking a model of a "progressive" government, California is not the place to look. Ours is a Capitol plagued by corruption and Special Interest control, with devastating consequences for the people of our state.

Sincerely,

KEVIN KILEY

California Legislator

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