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Spending is out of control in Sacramento; it could get much worse under Gavin Newsom

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Despite all the self-congratulations from Democrats about California becoming the [world's fifth largest economy](#) and the record tax revenues the title brings with it, there remains an insatiable desire from Sacramento to grow government and the amount of money it takes in. As evidence of this, a report released earlier this month by the California Tax Foundation found that [over \\$278 billion in higher annual taxes and fees](#) were proposed before the state Legislature in 2018. This is truly a staggering amount especially when looking ahead at who California's next governor might be.

Normally when the economy is growing, there isn't a need to raise taxes because government revenue rises with the economy. But not in California. The proposed \$278 billion is enough taxes and fees to double the entire State of California's annual budget which [swelled to \\$200 billion](#) for the first time this year. Never mind that the state has a budget reserve of \$13.5 billion.

While it's difficult to characterize Gov. Brown as a fiscal conservative given his record of increasing spending and taxes by tens of billions of dollars, he has been the lone check to prevent Democrats who control all branches of power in the state capital from getting completely out of control with spending. Brown's small modicum of common sense is why he is leaving a small budget reserve for his successor.

However, if Gavin Newsom is elected this November to succeed Brown, it will spell huge trouble for taxpayers if he fulfills his [campaign promises](#) of guaranteed health care for all, a Marshall plan for affordable housing, a master plan for aging with dignity, a cradle-to-college education promise and more. Making good on these promises will cost hundreds of billions, which makes the \$278 billion in higher taxes and fees considered by the Legislature this year all the more concerning.

Left-wing progressives have pushed the California Democratic Party to embrace the idea of a government-run “single payer” healthcare system that would be an unprecedented new mandate for the state budget. It would also cost at least [\\$100 billion in new taxes](#) to pay for, require sign-off from the Trump Administration to divert Medi-Cal and Medicare dollars into the system and would cover every person living in the state, including [undocumented immigrants](#). Despite these obstacles, Newsom has wholeheartedly [embraced](#) single payer although he at least acknowledges that it would take years to implement and that it is out of the power of the governor to unilaterally create.

Based on Newsom’s agenda that promises a Christmas tree of goodies to his supporters, there will certainly be tremendous pressure for new taxes. Even if no recession emerges and the state’s economy continues to grow, there will be cries that there isn’t enough money to fund (insert program name here), similar to the [pattern](#) that was followed to justify raising the gas tax or the press for future attacks on Proposition 13.

California is already close to reaching its breaking point for taxes with the [highest maximum income tax](#) and [highest state sales tax rate](#) in the country. This makes blocking Newsom’s ability to pass new taxes through the Legislature even more important.

Fortunately, Proposition 13 guarantees that all tax increases must pass the state Assembly and Senate with a two-third supermajority. Democrats control a supermajority in the Assembly but lack it in the Senate due to the [successful recall](#) of an Orange County senator who supported the controversial gas tax increase.

This November’s elections will be key to holding the line on huge tax increases and locally that means Jordan Cunningham must retain his seat if there is any chance at breaking the supermajority in the Assembly.

Holding the line on local taxes will be an important tool if Newsom’s election leads to huge increases in state spending and taxes. Fortunately, Lynn Compton was able to keep her seat on the San Luis Obispo Board of Supervisors, which will preserve the board’s conservative majority and limit local tax increases.

Venezuela is the ultimate example of what can go wrong when spending gets out of control and the government exerts control over every sector of the economy. It's not hyperbole to think California can head down a similar path if its leaders seek to create government programs to solve every perceived social problem. An election of Gavin Newsom could send us in that direction. That's why it is all the more important to place limits on his power in the Legislature and make good policies locally.

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