

# NEW CALIFORNIA

MAKING OF A STATE  
IN THE  
UNITED STATES OF  
AMERICA

# Executive Summary New California

## Why New California

New California is a new state in development exercising its Constitutional Right to form from the State of California. The process to form New California is authorized and codified in Article 4 Section 3 of the United States Constitution.

After years of over taxation, regulation, and mono party politics the State of California and many of its 58 Counties have become ungovernable. The nature of the State becoming ungovernable has caused a decline in essential basic services such as education, law enforcement, fire protection, transportation, housing, health care, taxation, voter rights, banking, state pension systems, prisons, state parks, water resource management, home ownership, infrastructure and many more. To be sure A recent [study](#) issued by the U.S. News and World Report ranked California No. 23 in the nation based on an aggregate score measuring economy, infrastructure, education, crime, and more.

When the Hoover Institution took a [close look](#) at California's migration patterns, they discovered that California's middle class is leaving the state in record numbers.

Breitbart News [reported](#) extensively about the exit of California residents. In 2013 (the most recent data available) 102,972 Californians left for other states, and only 66,294 individuals from other states moved to California. The only reason that the Golden State achieved a net population gain was that 169,266 was mostly due to illegal/undocumented immigrants streaming into California.

Governing magazine surveyed entrepreneurs and business owners and gives Texas, Utah, Idaho and Virginia grades of "A+", and Tennessee an "A." California, whose businesses are strangled by red tape that makes starting and running a successful business difficult, gets an F, for failure. California annually ranks last in Chief Executive magazine's ranking of "Best States / Worst States."

## About California

California is the most populous state in the nation, with over 40 million people. It is home to Hollywood's stars, Silicon Valley's technology, Napa Valley's wines and ancient Redwood and Sequoia forests. The California also is one of the country's wealthiest and most socially and politically influential, and has been since it became a state nearly 170 years ago.

The first signs of California becoming its own state was the first Declaration of Independence of 1836 which was written by the 'Californios' who wanted freedom from the "central government" in Mexico City. Mexico ceded California to the United States in 1848 after the Mexican-American War, and it was officially annexed as a free, non-slave state in the Compromise of 1850. During the [California Gold Rush from 1848 to 1858](#), about 300,000 people flocked to the western state. California's shipping, agriculture, construction and transportation industries boomed as the state became a land of economic opportunity for settlers. The Gold Rush resulted in unprecedented population and economic growth creating the [largest mass migration](#) in U.S. history.

Los Angeles is the state's largest city, with about three times the number of residents as the second largest, San Diego. Next up are San Jose, San Francisco and Fresno, the largest inland city in the state. Each of these cities is popular with immigrants.

Nearly [three in 10](#) Californians were born outside the U.S., with just over half of immigrants coming from Latin America and 39 percent from Asia. [Since 2006](#), though, Asian immigrants have outnumbered Latinos, a trend that is expected to continue through 2030.

The [growing population](#) will put a strain on [infrastructure](#) and public services, including [health](#), housing and schools. Politically, the state leans Democratic, with [millennials and Latinos](#) making up the largest number of [newly-registered voters](#).

## REFERENCES

Chelsea Viola  
*National Beat Reporter*

A recent [study](#) issued by the U.S. News and World Report ranked California No. 23 in the nation based on an aggregate score measuring economy, infrastructure, education, crime, and more. California, the most populous state and the largest state economy in the nation, is fixated at the somewhat-subpar slot of 23rd.

### Economy

The highlights of California's grading card were its economic accomplishments. The state received high marks for its economy, ranking third overall in the nation and second in its GDP growth, which reels in an average 3.3 percent increase each year.

Subcategories of this analysis highlighted California's business environment, ranking it the best in the nation, with ranking first in patent creation and fourth in entrepreneurship. California is a diverse hub of industry, from lucrative software companies in Silicon Valley to agricultural production in Napa wine country and the Central Valley to the glamorous entertainment industry in Southern California. This industrial diversity contrasts with the rest of the nation. In Texas, for example, "more than 60 percent of the largest publicly traded Texas firms are tied to oil and gas," according to a column from the [Bloomberg View](#).

But these gold stars were weighed down by California's mixed rankings in healthcare, education, economic opportunity, and crime and corrections.

### Health Care

The Affordable Care Act, signed into law in 2010, had the biggest gains in California. As of 2015, a record-breaking 91 percent of Californians are now insured. Under this expansion, 13.6 million Californians are covered by Medi-Cal.

California's healthcare system was ranked 10th in the nation, a score divvied up from equally weighted measurements of health care access, public health, and health care quality.

California's public health scores were one of the best in the nation, reflecting California's low rates in infant mortality, mortality, smoking, and obesity.

However, the state received lousy ratings in health care access and quality, ranking 24th and 16th respectively.

The relative nature of these rankings can explain such mediocre scores. Although California reached an all-time low of 8.5 percent of residents left uninsured, the No. 1 state in health insurance, Massachusetts, has less than three percent of uninsured residents.

## Education

Ranked 25th in the nation, California's education is deemed average according to this study. The shining point of its education scorecard was the quality of higher education, ranked third in the nation. This report also highlights California's relatively low debt at graduation; 55 percent of California students graduate with some form of debt, in comparison to the state of Idaho, which is at 72 percent.

The two-year and four-year college graduation rate rankings are within the top ten ballpark. However, according to the [Public Policy Institute of California](#), the supply of college graduates is not on track to keep up with demand. As the baby-boomers reach retirement age, there will be a large number of workers with college degrees leaving the workforce. The younger generation is not graduating college at high enough rates "to close the skills gap," [according](#) to the PPIC study.

In terms of rankings, California drops the ball in pre-K-12 education, putting the state at No. 42 in the nation. California is deemed one of the worst states in standardized math and reading scores, pre-K quality, and high school graduation rate.

## Economic Opportunity

Economic opportunity is California's second worst ranking at 42nd, following its ranking at 44th in government. This study ranks California as one of the worst states in cost of living and housing affordability.

According to [Investopedia](#), five out of the top 10 most expensive cities to live in the U.S. are in California. San Francisco, deemed the second most expensive city to live in, has an average rent of \$3,920 a month among its [pricier](#) neighborhoods.

California received low marks in equal income distribution, education equality by race, and racial gap in income, highlighting the stark economic inequality amongst California residents.

A 2016 [report](#) issued by the Economic Policy Institute also examined the ratio between the richest and poorest in California.

According to the EPI's study, the average income of the top one percent of Californians was \$1,411,375, starkly contrasting with the average income of \$48,899 among the bottom 99 percent. The ratio from the top to bottom earners in California is 28.9 to one.