



THE FREE REPUBLIC OF CALIFORNIA

Year One

General Budget Overview

**THE
FREE
REPUBLIC
OF CALIFORNIA**

YEAR ONE

**GENERAL BUDGET
OVERVIEW**





TABLE OF CONTENTS

Introduction	1
Financial Standing of a Worthy Nation	4
General Expenses	7
Budget Surplus Math	11
Providing the Services of the U.S. Federal Government	11
Non-Defense Spending	13
Adjusting Military Spending	14
Where Shall We Go?	17
A Golden Break	19
Higher Education For All	21
Universal Healthcare	24
Healthcare Comparative Quantative Analysis	25
Habitat Environ	29
Subsistence, Shelter and Care	33
International Prerogatives	36
Support for International Organizations	37
Selected International Programming	38
Creative Exploration	40
California Aeronautics and Space Agency (CASA)	41
California Endowment for the Arts (CEA)	42
California Endowment for the Humanities (CEH)	42
The Transition	44
Sentencing Tribunals	45
A Unicameral Congress	46
Electoral Participatory Rights	47
Eliminating Weapons of Death	48
A Vibrant Safety Net	50
Conclusion	52



INTRODUCTION

Welcome to the first Budget of The Free Republic of California.

Our financials are strong, enabling the Nation to thrive immediately. Through this Budget, significant social and infrastructural benefits are added to our communities while safeguarding the Nation with a strong technological, environmental and public safety support system. A large transition fund and reserve are also maintained in preparation for the inevitable and unpredictable moments of turning a dream into a reality.

Our first Budget does not recreate the wheel, it weighs heavily on both the former State of California budget and the U.S. federal budget in order to determine available funds and allocate them appropriately. California's previous status as a donor state to federal re-distribution whims and largess, the differing societal priorities of California and the U.S. allow for a financial restructuring to the benefit of the Californian citizenry as a whole.

For Year One, our chief priority is to ensure a smooth transition. This budget diligently ensures that every benefit previously in the U.S. federal domain, such as veteran benefits, food security stipends, Medicare and Medicaid, is supported at equal or higher levels in California. It allows for all departments of the U.S. government to be merged in role with relevant California agencies, decreasing inefficiency and duplication of efforts.

All of the benefits and services of the most recent California State Budget carryover here as well, including continuing investments denoted as ‘one-time’ investments by the State in 2019-2020 that were intended to spur affordable housing development, address homelessness, and provide safe drinking water. All previous California State jobs and pensions are also protected by this Budget.

The Constitution of the Free Republic of California necessitates that we use our abundant funds in a different manner than previous U.S. and California administrations. We are guided by law to search for a more civil, enlightened and fair society. Hence, we are empowered to use our financing to ensure protection of basic human rights: shelter, subsistence, water, environmental sustainability, universal health care and higher education for all.

The Budget also funds the development of the California Aeronautics and Space Administration (CASA), the California Endowment for the Arts (CEA) and One World California to name a few. And...Everyone gets a tax break.

We have been staring at spreadsheets for ages, but are not blind to our mathematical limitations. Please comment, propose amendments, crunch your own numbers. This is just the start, it is a living document deserved of change.



A FINANCIAL STANDING WORTHY OF A NATION

California was the fifth biggest economy in the world when tied to the United States. Allowed to run free, it is situated for higher feats of success. Predictions of Year One gross national revenues total an impressive amount for the newest country in the world:

CALIFORNIA YEAR ONE REVENUES <i>(in USD thousands)</i>	
Category	Amount
Personal Income Tax	519,964,326
Sales and Use Tax	40,010,011
Corporation & Business Income Tax	61,262,884
Highway Users Taxes	8,481,771
Insurance Tax	5,502,073
Excise Taxes	6,824,053
Gift Tax	168,248
Motor Vehicle Fees	9,950,760
Other	23,038,392
Total	675,202,518
<i>Sources and Notes:</i>	
<i>IRS Tax Collections 2018, see: https://www.irs.gov/statistics/soi-tax-stats-all-years-irs-data-books.</i>	
<i>California State Budget, 2019-2020, see: http://www.ebudget.ca.gov/home.php?selectedYear=2019-20.</i>	
<i>Corporate & Business Income Tax, Insurance Tax and Excise Tax Categories include previous state and U.S. revenue sectors combined.</i>	
<i>All values adjusted to the cumulative inflation rate of March 2020, see: https://www.usinflationcalculator.com/.</i>	

Don't worry, we did not make this up. Revenues estimates are taken from California and U.S. tax records and adjusted to 2020 U.S. dollars. For clarification purposes, here are the previous U.S. and State of California collections by category:

FEDERAL REVENUES COLLECTED FROM CALIFORNIANS BY CATEGORY	
<i>(in USD thousands)</i>	
Category	Amount
Individual Income Tax Withheld and FICA Tax	301,762,239
Individual Income Tax Payments and SECA Tax	104,220,820
Unemployment Insurance Tax	2,606,499
Railroad Retirement Tax	12,047
Estate and Trust Income Tax	3,260,062
Estate Tax	4,920,748
Gift Tax	168,248
Excise Tax	4,343,429
Business Income Tax	48,003,617
Total	469,297,709
<i>Sources and Notes:</i>	
<i>IRS Tax Collections 2018, see: https://www.irs.gov/statistics/soi-tax-stats-all-years-irs-data-books.</i>	
<i>All values adjusted to the cumulative inflation rate of March 2020, see: https://www.usinflationcalculator.com/.</i>	

FORMER CALIFORNIA STATE REVENUES BY CATEGORY	
<i>(in USD thousands)</i>	
Category	Amount
Personal Income Tax	105,788,411
Sales and Use Tax	40,010,011
Corporation Tax	13,259,267
Highway Users Taxes	8,481,771
Insurance Tax	2,895,574
Alcoholic Beverage Taxes and Fees	389,711
Cigarette Tax	2,090,913
Motor Vehicle Fees	9,950,760
Other	23,038,392
Total	205,904,809
<i>Sources and Notes:</i>	
<i>California State Budget, 2019-2020, see: http://www.ebudget.ca.gov/home.php?selectedYear=2019-20.</i>	
<i>All values adjusted to the cumulative inflation rate of March 2020, see: https://www.usinflationcalculator.com/.</i>	



GENERAL EXPENSES

The *General Expenses* Table which follows breaks down the largest line items of the Year One Budget. It accounts for all of the roles, departments and services of both previous State of California and U.S. governments. In terms of previous State of California allocations, none have shifted downwards. In terms of the previous U.S. federal expenses, adjustments were made to better allocate the funds for the maximization of societal return. Each reallocation of funds is explained specifically in forthcoming sections herein.

GENERAL EXPENSES

(in USD thousands)

Category	Amount
Business, Consumer Services, and Housing	8,562,481
Corrections and Rehabilitation	15,940,379
Environmental Protection	4,680,981
General Government	11,013,667
Government Operations	1,769,733
Health and Human Services	75,963,259
Higher Education	18,656,925
K thru 12 Education	60,715,200
General Education Fund	5,555,153
Labor and Workforce Development	960,398
Legislative, Judicial, and Executive	10,767,216
Natural Resources	6,977,177
Transportation	15,880,721
State	1,175,694
Peace and Defense	21,750,332
CASA	1,774,563
Energy	3,009,041
Social Security	84,253,157
Medicare	53,545,505
Medicaid	34,488,243
Other Social Support	70,673,894
Foreign Aid to the U.S.	29,010,245
Subtotal	537,123,966
Surplus	138,078,553
<i>New Large Programs</i>	
Tax Break to All Citizens	25,998,216
Universal Healthcare Fund	24,635,841
Californian Higher Education Fund	7,647,249
Habitat Environs Fund	13,732,770
Subsistence, Shelter and Care	3,000,000
Transition Fund	60,000,000
Budget Allocation Reserve	3,064,477
Previous State Balance Reserve	23,610,840
Total Reserve	26,675,317

Sources and Notes:

California State Budget, 2019-2020, see: <http://www.ebudget.ca.gov/home.php?selectedYear=2019-20>.

The Balance FY 2020 Federal Budget, see: <https://www.thebalance.com/fy-2020-federal-budget-summary-of-revenue-and-spending-4797868>.

IRS Tax Collections 2018, see: <https://www.irs.gov/statistics/soi-tax-stats-all-years-irs-data-books>.

Foreign Aid to the U.S. is calculated based on California's 'share' of the U.S. debt interest.

All values adjusted to the cumulative inflation rate of March 2020, see: <https://www.usinflationcalculator.com/>.

The subtotal highlighted in the *General Expenses* Table equates to the amount needed to provide the services of both the U.S. and State of California in their most recent administrations. It presupposes mirrored State of California expenses, however adjusts U.S. allocations to more closely match the benefits received. This leaves an annual surplus of over \$138 billion. The surplus, as explained next, allows the Free Republic of California to drastically improve our society, while beginning to fulfill the societal and communal mandates of the Constitution.



BUDGET SURPLUS MATH

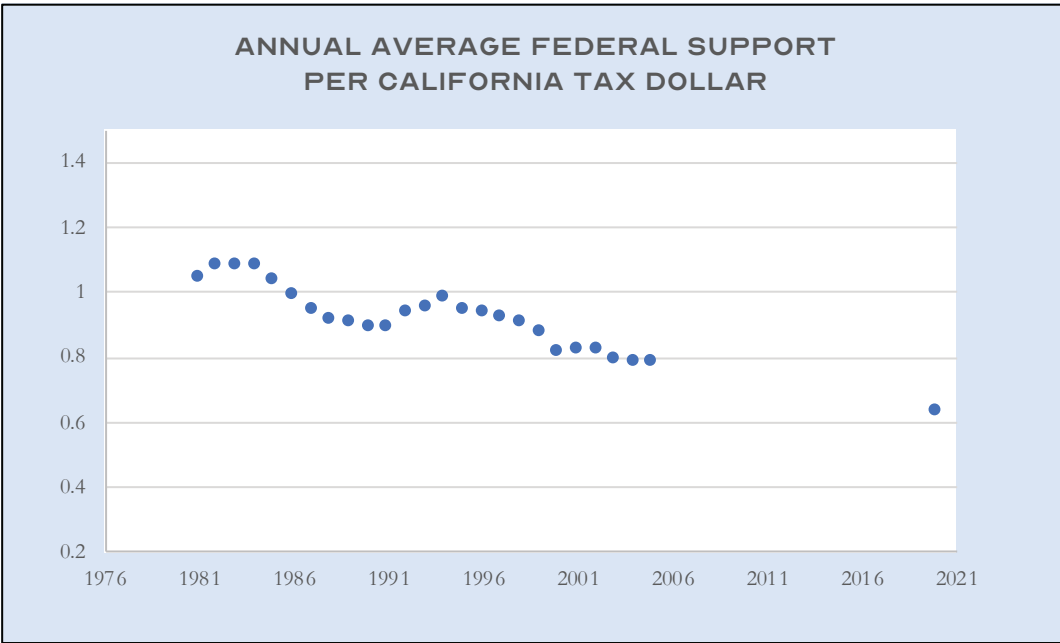
Providing the Services of the United States Federal Government

The key to determining the budget surplus lies in California's relationship to the U.S. In order to estimate how much it would cost California to run the programming and support system of the U.S. government, it was necessary to breakdown the actual benefits received compared to California monies paid to the U.S. government. This is no easy feat, as the 'value' of U.S. support is an amorphous one.

Do farm subsidies in Kansas or tax breaks for a car factory in Kentucky benefit California? To stabilize the broad economy perhaps, but also to the detriment of California farms and car makers. On a broader anecdotal perspective, California contributed 14.5% to the U.S. GDP with only 11% of the population, so if equal services were provided to all, they would still be to the financial detriment of Californians. It only gets more convoluted from there, for example, say the U.S. allows for an oil rig on the Pacific coastline by subsidizing its construction. Is that to the benefit of California, because it sits on California's coast and results in a stream of revenue and a few jobs or is it a financial loss due to decreases in tourism and environmental sustainability? The list goes on and on, there really isn't an established science to it. In an attempt to rationally foresee the numbers, we looked at two studies that attempted to breakdown the U.S. benefits provided to California in hard numbers.

In 2017, a study by California’s Legislative Analyst’s Office attempted to parse together the benefits of the federal government together. Pairing its total numbers with California’s gross contribution to U.S. revenues results in a 1 to .935 ratio of dollars paid to benefits received. This study is chronologically recent, but highlights only one year and even that is piecemeal-ed together. This percentage is also incredibly generous to the U.S. given historical trends and current day Californian economic growth.

A study by the Tax Foundation covered a span of twenty-five years, highlighting a long term trend in the relationship between California and the U.S. federal government. The study, unfortunately ends in 2005, however, this chart illustrates California’s consistent decrease in federal support over that time period:



Following the blue dot caterpillar’s trajectory gets to an estimated 2020 ration of 1 to .64 dollars paid to benefits recieved. This continued decline is logical, if not understated due to a variety of factors, such as: the lack of a pure democratic voting distribution in the U.S., the decline of many U.S. states economic agility, the U.S. political climate and its executive branch threats to California. These factors also make any future increases in U.S. discretionary funding unlikely.

Where do these studies leave us? While dreaming of 20/20 foresight we lean here on the fiscally responsible side, splitting the difference between the two studies and estimating the U.S. federal support at .7875 cents per dollar of Californian federal contribution. If our ratio is too magnanimous, Year Two will be all the more vibrant.

Non-Defense Spending

With our dollar to services ration in hand, we turn to non-defense spending. For all U.S. non-defense spending to the benefit of California, the allocations are maintained in the Budget. Every dollar will continue to support Californians in the same manner. This also leads to a surplus of funds as we recoup the monies that used to trickle away.

The Californian expense of providing U.S. non-defense services equals the gross U.S. Californian contributions to the U.S. multiplied by the percentage of the U.S. budget allocated to non-defense spending multiplied by U.S. federal support per California contribution dollar, or numerically:

$$469,297,710,000 * .8046 * .7875 = 297,354,965,000$$

This results in a surplus of \$80,238,641,000 (*i.e.* $469,297,710,000 * .8046 * .2125$).

Adjusting Military Spending

California, given its economic and diplomatic prowess and desire for peace, makes an additional adjustment in the allocation for military weaponry and avoidance of U.S. Pentagon largess.

Mathematically, the adjustment requires taking the total California U.S. Federal Contribution multiplied by the U.S. allocation percentage in the US federal budget earmarked for defense multiplied by the percentage adjustment in defense allocation scale by California, or numerically:

$$469,297,710,000 * .1954 * .25 = 22,926,025,920$$

This allocation of over \$22.9 billion to defense-related agencies is far more than necessary in a world whose means and manner of warfare has been entirely redefined. It is by no means insignificant, ranking California's investment in the top fifteen nations of the world, over nations like Canada and Israel. California will additionally no longer be burdened by antiquated infrastructure upkeep costs of the U.S. forces nor their limited their agility in movement and development.

This results in a surplus of \$68,775,579,000 (*i.e.* $469,297,710,000 * .1954 * .75$).

The table below breaks down previous U.S. allocations by department and the historical and Year One Californian allocations under mirrored categorizations:

FEDERAL SPENDING AND RELATIONAL CALIFORNIA EXPENSE PREDICTION BY CATEGORY				
<i>(in USD thousands)</i>				
Department	Amount	Percentage of Total US Budget	Traditional California Contribution	California Year One Expense
Defense (General)	633,000,000	0.132150	62,017,839	15,504,460
Defense (Overseas Contingency Operations)	71,000,000	0.014823	6,956,187	1,739,047
Defense Emergency Funds	8,000,000	0.001670	783,796	195,949
Homeland Security	48,000,000	0.010021	4,702,775	1,175,694
State	48,000,000	0.010021	4,702,775	1,175,694
Veterans Affairs	93,000,000	0.019415	9,111,626	2,277,906
The National Nuclear Security Administration	17,000,000	0.003549	1,665,566	416,391
FBI and Cybersecurity in the Department of Justice	10,000,000	0.002088	979,745	244,936
Additional Defense Funds	8,000,000	0.001670	783,796	195,949
Energy	39,000,000	0.008142	3,821,004	3,009,041
Health and Human Services	106,000,000	0.022129	10,385,294	8,178,419
Education	72,000,000	0.015031	7,054,162	5,555,152
Housing and Urban Development	57,000,000	0.011900	5,584,545	4,397,829
Justice	32,000,000	0.006681	3,135,183	2,468,957
NASA	23,000,000	0.004802	2,253,413	1,774,563
Social Security	1,092,000,000	0.227975	106,988,121	84,253,145
Medicare	694,000,000	0.144885	67,994,282	53,545,497
Medicaid	447,000,000	0.093319	43,794,588	34,488,238
Other	916,000,000	0.191232	89,744,614	70,673,884
Interest Payments on National Debt	376,000,000	0.078497	36,838,401	29,010,240
Total	4,790,000,000	1.000000	469,297,710	320,280,991

Sources and Notes:

The Balance FY 2020 Federal Budget, see: <https://www.thebalance.com/fy-2020-federal-budget-summary-of-revenue-and-spending-4797868>.

On Non-Defense spending California's expense is calculated as the gross cost of federal income tax paid by Californians (469,297,710) multiplied by the percentage of budget for the line item multiplied by the value of federal services received (78.75).

On Defense spending California's expense is based on the Traditional California Contribution multiplied by the reduction in expense predicted as per budget analysis (.25).

The National Nuclear Security Administration is part of the Department of Energy, but seperated herein.

The Category of 'Additional Defense Funds' comes from seperable Overseas Contingency Operations

All values adjusted to the cumulative inflation rate of March 2020, see: <https://www.usinflationcalculator.com/>.

All in all, this reallocation of Californian U.S. contributions back to Californian services results in \$149,014,220,000 of non-earmarked funds. Coupled with the predicted expenses of California this results in a \$138,078,553,000 surplus, giving the nation an enormous range of flexibility in spending.



WHERE SHALL WE GO?

It is 'Year One' for a reason. We are going places.

With such a budgetary safety net in place, California can institute critical and inspirational change, pushing forward towards a more enlightened, healthy, successful, sustainable, and communal existence. There are many areas in need of attention, here we highlight a few of the most significant budgetary shifts.



A GOLDEN BREAK

In celebration of our freedom, the surplus allows for a flat income tax break of five percent for all Californians and residents.

This reduction equates to a nearly twenty-six billion dollar Budget expense. A well-earned immediate reward for a brave populous. It is likely this break can be increased in future years as California thrives and the Transition Fund is no longer needed.



TEMPRANILLO

HIGHER EDUCATION FOR ALL

Californians deserve higher education. All developed countries offer education without the massive financial burden of the U.S. system, as should we.

Wiping away tuition allows for a significant leveling of the playing field, while providing opportunities that lead to economic growth. Generations of graduates will be free from paralyzing debt, able to follow their true paths.

With an allocation through the California Higher Education Fund of just over five percent of the total budget surplus, California can finance the in-state tuition and enrollment fees for the entire University of California, California State University and California Community College systems, provide stipends for Californians studying at private or out-of-state universities and create a fund to support higher enrollments across the board for low income applicants who are currently left out of the system.

The table below shows the estimated necessary support to eliminate Californians’ tuition bills. The California Higher Education Fund, seen in the *General Expenses* Table, provides for this total expenditure. In future years, these numbers and their categorical alignments will shift as data develops within the program.

HIGHER EDUCATION TUITION EXPENSES FOR IN-STATE STUDENTS			
<i>(in USD thousands)</i>			
School Category	Total Tuition Revenues	Estimated Out-of-State Tuition Contributions	Californian Tuition Balance
University of California System	5,314,462	2,992,801	2,321,661
California State University System	3,205,125	275,641	2,929,484
California Community College System	487,229	100,766	386,463
Subtotal	9,006,816	3,369,209	5,637,607
Private and Out-of State Stipend	N/A	N/A	994,872
Increased Enrollment Adjustment	N/A	N/A	1,014,769
Total			7,647,249

Sources and Notes:

University of California, Retrends 2019, see: https://jmrreports.universityofcalifornia.edu/index.php?file=retrends/retrends_2019.pdf.

University of California, Cost of Attendance, see: <https://admission.universityofcalifornia.edu/tuition-financial-aid/tuition-cost-of-attendance/>.

California State University, 2018-2019 Operating Budget, CSU out-of-state tuition is based on 6 units per semester, see: <https://www2.calstate.edu/csu-system/about-the-csu/budget/2018-19-operating-budget/supplemental-documentation/Pages/california-state-university-tuition-and-fee-rates.aspx>.

California Community Colleges Tuition Statistics, see: <https://www.communitycollegereview.com/tuition-stats/california>.

The CCC system does not disclose its out-of-state student enrollment, so here, the percentage of the CSU System (5%) is used.

Private and out-of-state students are provided proportional stipends to the equivalent in-state tuition expense, see: <https://edpolicyinca.org/sites/default/files/Statewide%20NSC%20Report%20Final%20Online.pdf>.

Increased Enrollment Adjustment was estimated based on the percentage of California families that are considered low income (45%) and the estimated low income applicants that skip college due to the expense (40%), multiplied by the total tuition of current in-state students, see: http://www.nccp.org/profiles/CA_profile_6.html, <https://hebingereport.org/why-are-low-income-students-not-showing-up-to-college-even-though-they-have-been-accepted/>.

All values adjusted to the cumulative inflation rate of March 2020, see: <https://www.usinflationcalculator.com/>.

This is the first step, next is additional support for room and board, which California aims to eliminate in totality as a barrier to enrollment in forthcoming years. Currently, support for room and board for low income applicants is found under both the ‘General Education’ and ‘Higher Education’ line items of the *General Expenses* Table and said support has increased significantly under recent California State budgets and this Budget. All previous U.S. federal support, such as Pell grants, are also accounted for in the ‘General Education’ and ‘Higher Education’ line items of the Budget.

Given the strength of our higher education system statewide and the support of the California Higher Education Fund, our nation will have the strongest educational structure in North America and arguably the world. One that is accessible to all qualified applicants, welcoming and developing the youth into well-rounded, well-read, community-driven adults.



UNIVERSAL HEALTHCARE

We engender to have a healthy and long-living populous, to have a system where one does not look upon healthcare with a fear of bankruptcy, where a mother can get the best care for her children at no cost, where preventative care saves us from disease and agony and where our feet stand at the forefront of technological and scientific advancement.

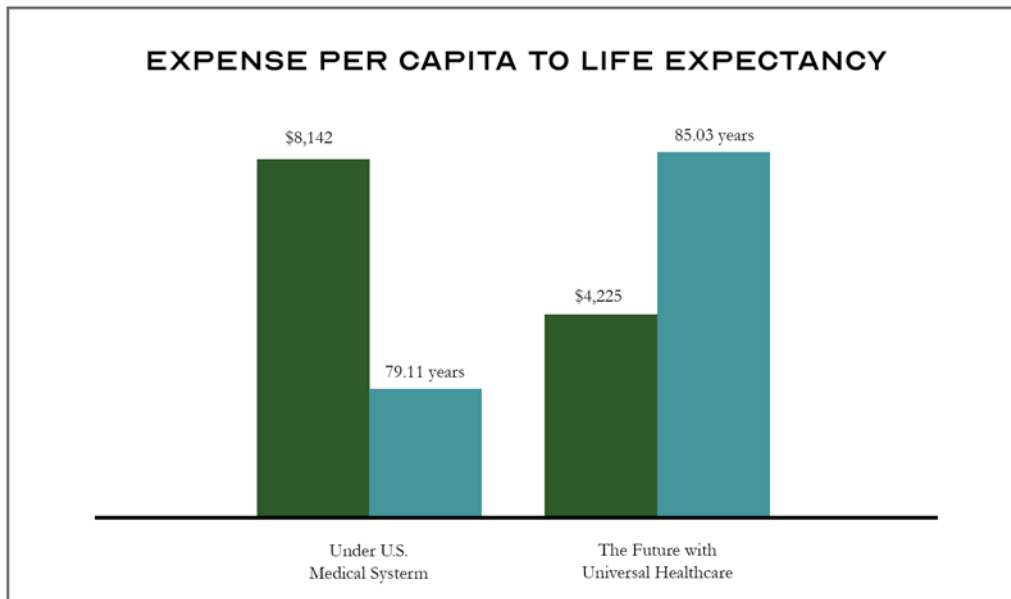
The burdens of the U.S. system have made universal healthcare feel like an impossible or irrational dream. This is simply fear-mongering ungrounded by statistical support. Meanwhile, the U.S. system is not one of a high-functioning society and is not a viable nor sustainable structure for the future. The world already knows this, as every other developed nation has some version of universal healthcare.

Luckily, California's surplus and collective bargaining power allow for universal healthcare, projecting longer life spans while saving its citizenry over 138.5 billion dollars per year; health and monies destined to continue to grow our society.

Healthcare Comparative Quantitative Analysis

There are many ways to conduct an in-depth comparative study of universal health-care systems in order to estimate the expense per capita of transitioning to an encompassing and effective program. For instance, if one takes the average of the fifty most expensive national programs, the expense equals approximately \$3,149 per person. However, not all of these plans are created equal. So, for the purposes herein, Japan's healthcare costs act as the basis for our expense estimation.

Why Japan? Because using the most important metric of national healthcare quality, that of average life expectancy, Japan excels, ranking second in the world only to Hong Kong. The United States ranks forty-sixth. This is quite a difference; it translates to the Japanese living nearly six years longer than Americans. Remarkably, their expense for such success is significantly lower per capita than the U.S. system, which is the most expensive in the world. The chart below visually demonstrates the dramatic positive shift California would experience under a universal system as compared to the current U.S. failure:



Japan is able to accomplish this success at a lower expense largely due to the power of collective bargaining or in simpler parlance, buying in bulk. California, doing the same, negotiating as one, would benefit similarly. The result, as paralleled to Japan would be a universal healthcare system that costs just under \$180 billion annually. In Year One, this provides quite a savings and boost to the California economy:

THE SAVINGS OF COLLECTIVE BARGAINING	
<i>(in USD thousands)</i>	
Description	Amount
U.S. Medical System California Medical Expenses	318,370,000
Free Republic of California Medical Expenses	179,849,520
Savings to the California Economy	138,520,480
<i>Sources and Notes:</i>	
<i>California Health Care Spending, see: https://www.cbef.org/publication/california-health-care-spending/</i>	
<i>California's Population, see: https://www.statista.com/statistics/206097/resident-population-in-california/</i>	
<i>Spending on healthcare by country, see: https://www.macrotrends.net/countries/JPN/japan/healthcare-spending</i>	
<i>All values adjusted to the cumulative inflation rate of March 2020, see: https://www.usinflationcalculator.com/.</i>	

Due to the waste, price-gouging and profit-addiction of the U.S. system, the majority of this new efficient structure would actually be covered by previous California and United States budget allocations for healthcare. As seen in the table and chart which follow, with a supplemental fund of just under twenty-five billion dollars, all Californians would have healthcare. In addition, this does not account for the savings of preventative care, private and non-profit support, nor the economic factor of injecting the aforementioned over 138.5 billion back into our economy.

The numbers are simply overwhelmingly positive.

We will all live longer, more enriching lives.

UNIVERSAL HEALTHCARE FUNDING

(in USD thousands)

Category	Amount
Health and Human Services/Medicaid (Med-Cal Total Budget)	101,668,175
Medicare	53,545,505
Universal Healthcare Fund	24,635,841
Total	179,849,520

Sources and Notes:

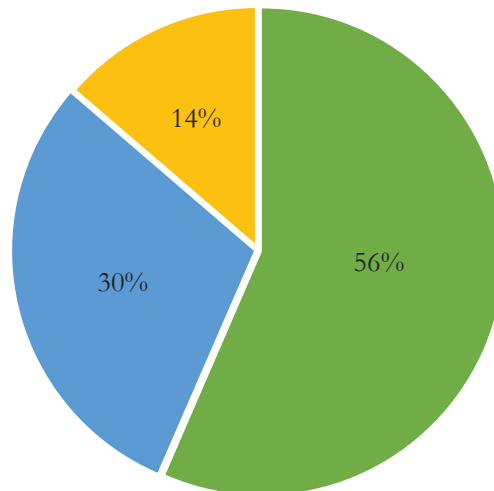
California's Health and Human Services Budget Summary adjusted,

see: <http://www.ebudget.ca.gov/2019-20/pdf/BudgetSummary/HealthandHumanServices.pdf>

Total equates to Japan's healthcare expense per capita, see: <https://www.macrotrends.net/countries/JPN/japan/healthcare-spending>, multiplied by the population of California, 39.51 million, see: <https://www.statista.com/statistics/206097/resident-population-in-california/>

All values adjusted to the cumulative inflation rate of March 2020, see: <https://www.usinflationcalculator.com/>.

UNIVERSAL HEALTHCARE FUNDING BREAKDOWN



■ Health and Human Services/Medicaid (Med-Cal Total Budget)
 ■ Medicare
 ■ Universal Healthcare Fund



HABITAT ENVIRON

The polar bear floats away as the glacier melts. The *Storm of the Century* comes around five times a year. Oklahoma shakes as the earthquake capital of a fracking world. There is no time to lose.

Our Constitution tasks us specifically with energy independence and carbon neutrality, stating:

Article 2, Section 13 – The right to a healthy environment

Protection of the environment, nature and biodiversity is a basic human right and is the responsibility of all government officials, agencies and the populous itself. To that end, California shall be carbon neutral and fossil fuel independent within ten years of the ratification of this Constitution. Additional protectionary measures shall be determined by Act.

The public authorities shall endeavor to guarantee for everyone the right to a healthy environment and for everyone the possibility to influence the decisions that concern their own living environment.

Habitat Environ is California's moonshot at our collective survival.

Habitat Environ will be the biggest governmental commitment to climate change in the history of the Americas. Its Year One investment totals over twenty-seven billion dollars, triple the entire budget of the U.S. Environmental Protection Agency. This allocation comes from California's previous contributions to the U.S. EPA and the State of California's environmental programming coupled with the Habitat Environ Fund's support of nearly fourteen billion dollars.

Seeking to maximize its effectiveness, the former Natural Resources Agency, Cal-EPA California Climate Investments and the Strategic Growth Council will combine forces under the Habitat Environ umbrella. Merging these organizations creates strength in reach, knowledge, efficiency and unity. None of these departments lose financial support in the merger. Their Budget allocations by category are found in the table on the following page. In such, fire can work with water and air, climate change can work with recycling and so forth. These budgetary line items will surely readjust as Habitat Environ finds its footing, but in Year One, this logically preserves all previous California investment in the environment and related services while maximizing effect.

Californians will breath clean air, use free energy and drink clean water ad infinitum. Our Sequoias will grow to new heights as the poppies blow in the wind.

We will be the solution: An entirely sustainable collective existence.

HABITAT ENVIRON BUDGET

(in USD thousands)

Former Department & Category	Amount
Cal-EPA	
Resources Recycling and Recovery	1,597,210
Water Resources Control Board	1,517,450
Air Resources Board	1,422,550
Toxic Substances Control	355,380
Pesticide Regulation	112,070
Other	49,470
Natural Resources Agency	
Forestry and Fire Protection	2,124,230
General Obligation Bond Debt Service	1,118,650
Parks and Recreation	987,400
Water Resources	841,010
Fish and Wildlife	564,370
Natural Resources Agency	484,610
Energy Commission	400,820
Wildlife Conservation Board	206,970
Conservation Corps	169,620
Conservation	142,360
Coastal Conservancy	124,180
Other	337,210
Strategic Growth Council	
Affordable Housing and Sustainable Communities	405,870
Sustainable Agricultural Lands Conservation	47,450
Transformative Climate Communities	46,440
Climate Change Research	28,270
Technical Assistance & Capacity Building	7,070
California Climate Investments	
Cumulative Appropriations Estimate	2,292,000
Adjustment for appropriations to Cal-EPA, National Resources Agency or Strategic Growth Council Accounted for Above	(1,649,890)
Subtotal	13,732,770
Former California Contribution to U.S. EPA (Adjusted)	701,837
Habitat Environs Fund	13,732,770
Total	27,465,540

Sources and Notes:

Legislative Analyst's Office, The 2019-2020 Budget: California's Spending Plan, Resources and Environmental Protection, see: <https://lao.ca.gov/Publications/Report/4103>.

Strategic Growth Council 2018-2019 Annual Report, see: http://sgc.ca.gov/about/docs/20191122-SGC-2019_Annual_Report.pdf.

2020 CCI Annual Report, see: https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/2020_cci_annual_report.pdf.

Appropriations Estimate assumes zero growth in cap and trade revenues in 2020.

Former California Contribution to U.S. EPA adjusted as per Budget including direct federal funding to the Natural Resources Agency and Cal-EPA from the 'Other' line item in the General Expenses Table.

All values adjusted to the cumulative inflation rate of March 2020, see: <https://www.usinflationcalculator.com/>.



SUBSISTENCE, SHELTER AND CARE

As the day grows hot, as the night grows cold, we will support each other. A nation should ensure that the basic necessities are provided to all its peoples. It is a pure gesture of humanity that defines a community and makes the collective greater.

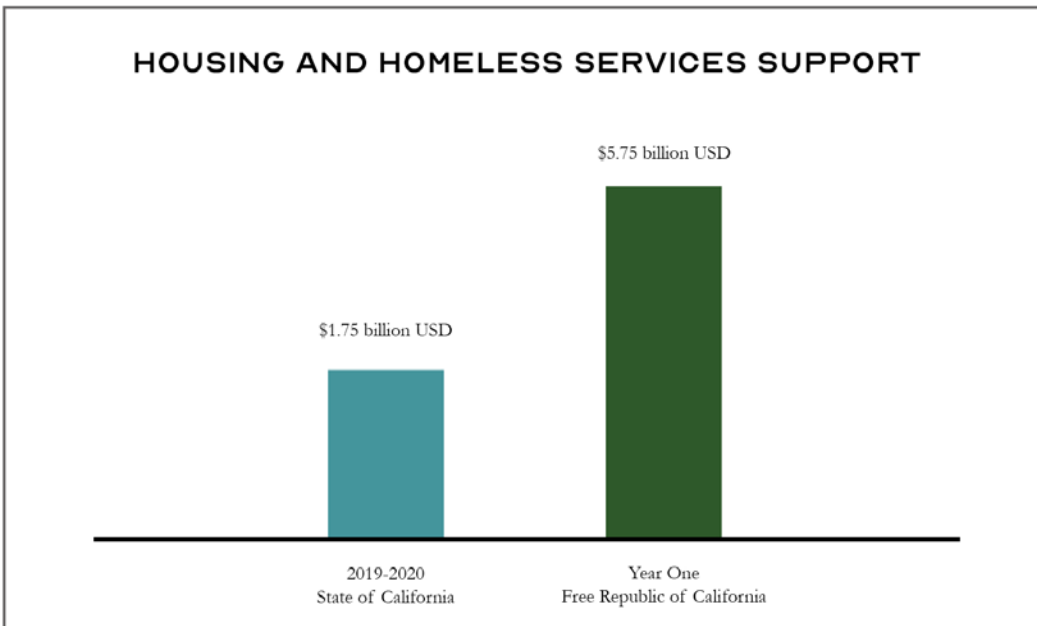
Article 2, Section 12 of the Constitution states that:

‘...those who cannot obtain the means necessary for a life of dignity have the right to receive indispensable subsistence, shelter and care.’

This obligates California to provide subsistence, shelter and care for all in need. As history has shown, this has been a difficult task for California. In 2019, the State made a large financial commitment to the homeless population of the State. Additionally, in 2020 the State committed nearly 300 state buildings as additional housing for the homeless. However, these commitment have not seen significant results as of yet, largely hindered by intentional U.S. federal roadblocks to its distribution.

Our mandate is to do more and see results quickly. In that vein, the budget for homeless housing and services has increased by three billion dollars. This is the arguably the largest outlay of such support funds in the history of the State. We look forward to assisting those in need, providing for brighter individual and communal futures for all Californians.

SUBSISTENCE, SHELTER AND CARE FUNDING	
<i>(in USD thousands)</i>	
Category	Amount
Extension of 2019-2020 State One-Time Appropriations	
Housing Support	1,750,000
Homeless Services	1,000,000
Subtotal	2,750,000
Subsistence, Shelter and Care Fund	3,000,000
Total	5,750,000
<i>Sources and Notes:</i>	
<i>California State Budget, 2019-2020, see: http://www.ebudget.ca.gov/home.php?selectedYear=2019-20.</i>	
<i>California to make state buildings available to house homeless, Reuters, February 19, 2020, see: https://www.reuters.com/article/us-california-homelessness/california-to-make-st-ate-buildings-available-to-house-homeless-idUSKBN20D2RK.</i>	





INTERNATIONAL PREROGATIVES

California will be a valuable member of the global community. A nation committed to supporting human rights, the environment, preventing warfare and protecting against the ills of humankind both within its borders and across the world. California will also play a powerful role in the world economy with its unparalleled buying power and beloved exports, from cell phones to movies to wine and strawberries. We aim to re-define California's presence internationally unburdened by climate deniers, false weapons of mass destruction and endless warfare.

California will join and support international non-governmental organizations at levels commensurate to its previous support that was channeled through U.S. coffers. We will become signatories to all United Nations instruments supportive of the global preservation of human rights and the environment. Our trade system will operate in a manner preservative of fair trade, consistent labor practices and protection of intellectual property, ensuring the commercial nature of society is free from unethical influence.

We have only one world, we must work together for its betterment.

Support for International Organizations

California will support the United Nations, NATO, the WHO and similar international non-governmental organizations at levels commensurate with previous U.S. support. The table here shows examples of a few key categories and ranges of said allocations:

SELECTED INTERNATIONAL ORGANIZATION CONTRIBUTIONS RANGES			
<i>(in USD thousands)</i>			
Organization/Previous Federal Department (Category in General Budget)	U.S. Contribution	CA Minimum	CA Maximum
World Health Organization			
Environmental Protection Agency (Other Social Services)	167	13	16
US Agency for International Development (Other Social Services)	170,131	13,126	16,668
Health and Human Services (Health and Human Services)	98,032	7,564	9,605
State (State)	128,148	3,139	12,555
Total	396,478	23,842	38,844
North American Treaty Organization (Generally)			
Defense (Peace and Defense)	527,874	12,929	51,718
State (State)	49,280	1,207	4,828
Total	577,154	14,137	56,546
United Nations (Generally)			
State (State)	633,005	15,505	62,018
US Agency for International Development (Other Social Services)	3,590	277	352
Total	636,595	15,782	62,370
Office of the United Nations High Commissioner for Refugees			
State (State)	1,600,603	39,204	156,818
US Agency for International Development (Other Social Services)	1,858	143	182
Total	1,602,461	39,348	157,000
Global Fund to Fight AIDS, Tuberculosis, and Malaria			
US Agency for International Development (Other Social Services)	933,893	72,054	91,497
Total	933,893	72,054	91,497
<i>Sources and Notes:</i>			
<i>US State Department Contributions to International Organizations,</i>			
<i>see: https://www.state.gov/wp-content/uploads/2020/03/US-Contributions-To-International-Orgs-Recipient-Summary-Tab-1-c-003185-2019.pdf.</i>			
<i>See Reference Table, 'Federal Spending and Relational California Expense Prediction by Category' herein.</i>			
<i>Minimum commitment is determined as the U.S. commitment multiplied by the proportion of the federal budget paid by California (.097974)</i>			
<i>multiplied by the discounted expense to benefit ratio of California income tax</i>			
<i>to federal non-defense benefits received (.7875 to 1) or the revised defense allocation ratio (.25 to 1) depending on the agency.</i>			
<i>Maximum commitment is in direct proportion to California's contribution within the U.S.'s previous contribution,</i>			
<i>this is tilted high, as other states actually benefit significantly more from the U.N. contribution, most directly New York.</i>			
<i>All values adjusted to the cumulative inflation rate of March 2020, see: https://www.usinflationcalculator.com/.</i>			

A range is necessary here as it is difficult to separate California from the United States in regard to previous mandatory and voluntary support. The low end of the range is skewed chiefly from categories of defense-related support, which is adjusted downwards in general to promote a more peaceful version of diplomacy. The high end of the range is as if California continued to pay its exact former share of U.S. obligations.

Selected International Programming

One World California

California will also establish its own version of the U.S. Agency for International Development, entitled, One World California (OWC). Its mission is to further humanitarian causes, protect human rights, preserve the environment and promote democracy through investments in international programming. OWC shall come to the assistance of those in need, whether from poverty, epidemic or emergency situation. It will also support Californian programming abroad, to the betterment of both California and the activated communities.

Fair Labor and Trade Practices

The Budget does not quantify a level of tariffs or similar mechanisms as a revenue generator. These mechanisms, as of recent, have been used as irrational short term tool by the U.S. In accordance with our Constitution, we will endeavor to allocate tariffs and specific trade policy in Year Two, with the goal of guaranteeing fair labor, trade and environmental practices worldwide.

Embassy Program

California will engage a two-year plan to establish temporary outposts in each country of the world and a ten-year plan for the operation of a permanent embassy structure via allocations from the Transitional Fund, the State Department and OWC. The aim is to be not only diplomatic outposts, but venues of Californian creativity and educational expression. This commitment of funds allows California to work with the nation's best architects and artisans to create a unique and special experience in our embassies across the globe.



CREATIVE EXPLORATION

California is the land of creative exploration for the betterment of the earth and humankind. The forthcoming pages provide a sampling of inspirational elements of California's new programming.

California Aeronautics and Space Agency

We shall explore.

California will allocate over 1.7 billion dollars in Year One to the formation of our own NASA. The California Aeronautics and Space Agency (CASA) will work hand-in-hand with NASA to continue to develop aeronautics and space research and further exploration. As home to NASA's Ames Research Center, Armstrong Flight Research Center, and Jet Propulsion Laboratory, partnerships and collaborative growth is inevitable. California is also home to many major private firms focusing on space exploration and development and CASA will immediately pursue their assistance in developing a vibrant space exploration infrastructure.

*California Endowment for the Arts &
California Endowment for the Humanities*

California is the heartbeat of the world's creative industries. Artists, musicians, filmmakers, sociologists, teachers and the like enrich our lives and ignite our synapses. They add over 230 billion dollars to our economy, by far the highest of any U.S. state. Arts education benefits communities, promoting the general welfare, unique thought, and educational success. And, yet the State ranked twenty-sixth in the U.S. in funding per capita for the arts. Internationally, the U.S. is equally unimpressive. For example, Germany spends forty times what the U.S. does per capita on the arts.

We can do better.

California will establish the California Endowment of the Arts (CEA) to support the arts via grants, awards, publications and other creative initiatives. A California Arts Fund supplements the funding of the California Arts Council, which will continue its programming under the CEA umbrella, and equate to a total budget of over 156 million dollars. This number matches to the entire funding of the U.S.'s National Endowment for the Arts. All funding of former NEA projects shall continue as well.

The California Endowment for the Humanities (CEH) will be established to support Californians with the same total budget as the U.S.'s National Endowment for the Humanities and the mission of supporting the Humanities by funding voluminous programming and research, while shaping a dialogue for continued societal intellectual growth. Funding of NEH partners, such as California Humanities shall continue via the CEH.

As the United States aims to minimize the contributions of the Arts and Humanities to society and strangle its own NEA and NEH, California heads in the opposite direction.



THE TRANSITION

How does one build a vision into a reality? Will the dogs be unleashed? Will the satellites fall from orbit? Of what will be forgotten?

In preparation for a storm, we've built a deep bunker in the Budget's Transition Fund. This sixty billion dollar line item is unburdened by specifics herein, as California needs flexibility in its early days. Consider these the 'start-up costs' of a true democracy. Regardless of specifics, the funds will go to building the infrastructure of a nation. Following are a few looks into known components of the transition.

Sentencing Tribunals

Sentencing for criminal acts requires serious re-evaluation in an effort to preserve the basic human rights of all citizens and to operate in a judicial manner driven by fairness and rehabilitation, not punitive, cruel and unusual punishment. Hence, the Constitution requires the establishment of Sentencing Tribunals to ensure that the punishment fairly and effectively fits the crime, stating:

Article 6, Section 7 - Sentencing Tribunal

In order to protect the mission and liberty of California, a Sentencing Tribunal will be established and tasked with the role of sentencing in criminal cases. The tribunal will work in co-ordination with the judge and jury in criminal cases to provide a just term of imprisonment. The tribunal will be composed of former judges, elected overseers, mental health professionals, prison experts, rehabilitation experts, criminal law scholars and human rights observers, all tasked with the furtherance of safety, humanity and rehabilitation.

The Transition Fund will assist in financially fulfilling this obligation, along with California's Executive and Judicial branch budgets. No one person shall decide the fate of another. Rationality and morality shall reign.

A Unicameral Congress

A true democracy requires equality in the value of each vote. The U.S. does not have a true democracy and neither did California until the U.S. Supreme Court, in *Reynolds v. Sims* mandated that states restructure their Congresses to parallel population shifts (ironically, it exempted the U.S. Senate from that order). As a result of this ruling, the bicameral system of the State of California became more fair and yet duplicative in both representation and duties.

The Constitution establishes a unicameral structure via the merger of the Assembly and Senate over time, developing a more efficient and clear democracy, stating:

Article 3, Section 2 – Composition and term of the Congress

The Congress shall be unicameral. California shall within four years, as current assembly and senate terms expire, and using the most recent census reports, merge its previous assembly and senate into the singular Congress of California. The Congress shall be split into districts sized by population and shaped by rational natural geographic lines by a non-partisan districting committee as established by Act. Each district shall have two representatives who hold four-year terms whose election cycles are staggered by two years of each other. No individual shall hold office as a Congressperson for more than three terms total.

The Transition Fund will provide the funding for this shift via the institution of the aforementioned ‘non-partisan districting committee’ as well as, any ancillary oversight and research as needed.

Electoral Participatory Rights

A true democracy only works when people vote. In the 2016 election, merely 55.7% of eligible voters voted in the U.S. General Election. This is an incredibly low turnout for a developed country. Some choose not to vote, but many are prevented from voting due to the lack of accessibility of polling stations, limited timing, employment and family conflicts and logistical misinformation. We aim to change that. The Constitution provides legal support:

Article 2, Section 8 - Electoral and participatory rights (in part)

It is the mission of California to develop an all-encompassing and literate voting populous.

It is the obligation of the Government to take all reasonable measures to promote voting by every eligible person, including providing for an annual national voting holiday, providing adequate locations and means of transportation to polling locations and promoting societal awareness of forthcoming elections.

The Transition Fund will provide localities with financial support to this end, creating advertising campaigns, extending voting time frames, increasing polling locations, providing transportation to polling locations and honoring counties with high voter turnout.

Eliminating Weapons of Death

The U.S. gun homicide rate is twenty-five times that of other high income nations. It accounts for thirty-five percent of the world's gun suicides. One hundred people die in the U.S. every day at the hand of a gun. Unsurprisingly, the states with the highest gun death rates have the loosest gun ownership laws. Whether domestic or international, the stats are the same, the tighter the gun control laws, the safer the community.

Guns do not make houses, communities, or nations safer. Guns force our children into mass shooting drills. Guns are why we know the names Parkland and Sandy Hook. Our Constitution, however, provides some hope of safety:

Article 2, Section 2 (in part)

All deadly weapons shall be illegal. Citizens may maintain their weapons in controlled regulated sport and hunting facilities as determined by Act or may turn their weapons into the State for reasonable compensation. Deadly weapons shall include guns, explosive devices, and any other item chiefly manufactured for similar violent use. The list of prohibited weapons may be expanded upon by Act.

An aggressive buyback and awareness campaign is necessary as a first step towards a safer society. The Transition Fund will provide the resources for such a campaign, as well as providing supplemental local government grants and national intelligence support.



A VIBRANT SAFETY NET

The future is unknown, so we better be prepared.

Financially, in addition to the Transition Fund, we are holding a very large reserve of monies. These reserves consist of former State of California reserves, untouched in the *General Expenses* Table and a supplemental reserve fund. They will be invested in secure instruments via the California Sovereign Fund and used as needed. Should the reserve reach a tipping point of wealth, portions of it will be redistributed accordingly. This chart outlines those reserves:

ADDITIONAL CALIFORNIA RESERVES	
<i>(in USD thousands)</i>	
Category	Amount
Fund Balance	2,822,880
Reserve for Liquidation of Encumbrances	1,398,320
Special Fund for Economic Uncertainties	1,425,580
Public School System Stabilization Account	380,620
Safety Net Reserve	908,650
Budget Stabilization/Rainy Day Fund	16,674,790
Total	23,610,840
<i>Sources and Notes:</i>	
<i>California State Budget, 2019-2020, see: http://www.ebudget.ca.gov/home.php?selectedYear=2019-20.</i>	
<i>All values adjusted to the cumulative inflation rate of March 2020, see: https://www.usinflationcalculator.com/.</i>	
<i>These estimates assume annual behavior consistent with the previous year and budget predictions.</i>	



CONCLUSION

Never in the history of the world has a nation been better positioned for freedom. The Free Republic of California is conceptually, intellectually and financially ready for the step forward. There are certainly many unknowns, but one thing is clear: A more educated, healthy, safe and sustainable country is around the corner.

