



Guess where California Ranks Among States with Best Quality of Life?

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Have you ever seen those gorgeous California tourism commercials, where the famous people in the ads are having a wonderful time on the beach, on the golf course, and doing various other fun activities?

Well, the latest study from U.S. News and World Report puts those commercials to the lie and unmasks the ugly truth about California.

The latest rankings of best to worst states puts California firmly in the middle of the pack, thanks mostly to being ranked the 4th best economy in the nation, but the reality is that there is a wide gulf between the have's and the have-not's in the Golden State. That high economic ranking is misleading because so many of America's wealthiest happen to live in the state. While California may have a high-powered economy with many wealthy people, the state also has the nation's WORST poverty rate as well!

Among the worst problems facing California's economy – it's ridiculously high-priced housing.

One of the biggest problems California is facing right now, though, is that government interventions in the marketplace are making it harder and harder to produce more stuff, thus driving up prices.

The end result is a higher cost of living, and thus more poverty. Kerry Jackson at *The LA Times* notes:

Further contributing to the poverty problem is California's housing crisis. More than four in 10 households spent more than 30% of their income on housing in 2015. A shortage of available units has driven prices ever higher, far above income increases. And that shortage is a direct outgrowth of misguided policies.

“Counties and local governments have imposed restrictive land-use regulations that drove up the price of land and dwellings,” explains analyst Wendell Cox. “Middle-income households have been forced to accept lower standards of living while the less fortunate have been driven into poverty by the high cost of housing.” The California Environmental Quality Act, passed in 1971, is one example; it can add \$1 million to the cost of completing a housing development, says

Todd Williams, an Oakland attorney who chairs the Wendel Rosen Black & Dean land-use group. CEQA costs have been known to shut down entire homebuilding projects. CEQA reform would help increase housing supply, but there's no real movement to change the law.

Extensive environmental regulations aimed at reducing carbon dioxide emissions make energy more expensive, also hurting the poor. By some estimates, California energy costs are as much as 50% higher than the national average. Jonathan A. Lesser of Continental Economics, author of a 2015 Manhattan Institute study, "Less Carbon, Higher Prices," found that "in 2012, nearly 1 million California households faced ... energy expenditures exceeding 10% of household income. In certain California counties, the rate of energy poverty was as high as 15% of all households." A Pacific Research Institute study by Wayne Winegarden found that the rate could exceed 17% of median income in some areas.

It is increasingly becoming common knowledge that California is notoriously bad in terms of the cost of housing.

So that great economic ranking doesn't really tell the whole story, does it?

The problem for California is that everything gets much worse from there.

According to the U.S. News and World Report 38th in infrastructure, 43rd in fiscal stability (because the government is constantly spending more and more money that the state doesn't have), 46th in "opportunity," and finally California is DEAD LAST (#50) in quality of life.

From USA Today:

California ranked last in urban air quality and 45th in "low pollution health risk," although it was 13th in drinking water quality. The state also found itself second-to-last in voter participation, 44th in community engagement and 38th in social support.

Despite its beaches, redwood trees and Hollywood glam, the state's blemishes are often highlighted. Los Angeles consistently leads as the world's most traffic-congested urban area and even its own citizens have tried to secede multiple times.

But, it's not just quality of life that California lacks. The state also has a dearth of freedom.

In fact, in survey after survey of most/least free states in the Union, California consistently ranks at or near the very bottom. Cato's latest such ranking has California sitting at 49th, with only the practically fascist New York rated as less free.

Although it has long been significantly freer on personal issues than the national average, California has also long been one of the lowest-scoring states on economic freedom...

Despite Proposition 13, California is one of the highest-taxed states in the country. Excluding severance and motor fuel taxes, California's combined state and local tax collections were 10.8 percent of personal income. Moreover, because of the infamous Serrano decision on school funding, California is a fiscally centralized state. Local taxes are about average nationally, while state taxes are well above average. Government debt is high, at 22.8 percent of personal income.

The state subsidizes business at a high rate (0.16 percent of the state economy). However, government employment is lower than the national average.

Regulatory policy is even more of a problem for the state than fiscal policy. California is one of the worst states on land-use freedom. Some cities have rent control, new housing supply is tightly restricted in the coastal areas, and eminent domain reform has been nugatory. Labor law is anti-employment, with no right-to-work law, high minimum wages, strict workers' comp mandates, mandated short-term disability insurance, and a stricter-than-federal anti-discrimination law. Occupational licensing is extensive and strict, especially in construction trades. It is tied for worst in nursing practice freedom. The state's mandatory cancer labeling law (Proposition 65) has significant economic costs. ¹²³ It is one of the worst states for consumer freedom of choice in homeowner's and automobile insurance. On the plus side, there is no certificate-of-need law for new hospitals, some moves have occurred to deregulate cable and telecommunications, and the civil liability regime has improved gradually over the past 14 years.

California is a classic left-wing state on social issues. Gun rights are among the weakest in the country and have been weakened consistently over time. It was one of the first states to adopt a smoking ban on private property, but other states have since leapfrogged California in their restrictiveness, and tobacco taxes are actually a bit lower than average. Similarly, California led in cannabis liberalization in 2000, but it has not further relaxed its laws at all since then. Alcohol is not as strictly regulated as in most other states. Private school choice programs are nonexistent, though there is some public school choice, and homeschooling is moderately regulated. Incarceration and drug arrest rates used to be higher than average but have fallen over time, especially since 2010. The state adopted same-sex partnerships and then civil unions fairly early but received same-sex marriage only recently.

The legal paperwork website, Legal Zoom has California ranked a bit better at 47th least free, and a Canadian think-tank ranked California as the 2nd least-free state in North America (not just the USA but Canada too)!

With all of these terrible figures, the only reason to want to live in California has to be the weather... but if you can't find work, pay for housing, or have a little bit of freedom, what good is the weather?