

INTRODUCTION

Go West, Young Man . . . to a Nation-State Openly at War with the Nation's New President

By Bill Whalen

Hotel California?

Not quite.

In 2017, it's Hostile California.

Of the twenty states that sided against Donald Trump in the fall presidential election, none seems as determined and dug-in in its opposition to the new administration as is the Golden State and its hard-left elected class.

Before Trump had taken the oath as America's forty-fifth president, California's Democratic political leadership had long since indicated that it intended to battle any attempts by Washington to round up and deport illegal immigrants. That includes creating safe zones at public schools, hospitals, and courthouses where immigrant enforcement would be banned, providing state funds to those fighting deportation proceedings (a 180-degree turn from 1994's Proposition 187, which sought to deny public services to illegal aliens), plus a declaration by the state's leading mayors that their cities won't budge on the controversial [sanctuary practice](#) that turns a blind eye to legal status and chooses not to cooperate with the federal government on law enforcement.

Trump and the Republican-controlled Congress have vowed to repeal and replace Obamacare. Governor Jerry Brown and a Democratic-controlled State Legislature (supermajorities in both chambers), which together have tied California's health-care fortunes to those of President Obama's plan, have vowed to fight such reform tooth and nail to protect a program that currently affects about [five million Californians](#).

As for climate change, a signature issue for both Brown and Arnold Schwarzenegger during the past decade, the governor and a newly appointed state attorney general have indicated that any moves on the Trump administration's part will be met with a gold rush of litigation back in the Golden State.

In all, it has the potential for California to be on a wartime footing in 2017 the likes of which the state hasn't seen since 1942, in political terms, at least. Only California's leadership isn't bracing for an invasion from the other side of the Pacific Rim. Rather, the perceived threat resides back east.

So what's going on here?

Nineteen other states, in addition to California, preferred Hillary Clinton to Trump in 2016. But only one—tiny Hawaii, with a turnout just 1/32 that of mighty California—sided with

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her by a larger majority percentage (and by a mere percentage point: 63 percent to 62 percent). In 2012 six states were bluer (higher Democratic voting majorities) than California; in 2008 it was eight states. Thus we have makings of an argument that California marches to a quicker progressive beat than the rest of America despite the changing national winds.

A second theory is that the swift and severe defiance of Trump is symptomatic of a California public awash in the early stages of [grief and loss](#) (if you forget about eventually arriving at acceptance, we could be in for four long years of denial and anger).

The state's progressive leaders smugly assumed that Trump didn't have a chance of winning and that the presidential election would deliver another administration that complimented the Golden State's leftward tilt on expanding health care, extending entitlement to illegal immigrants, and generally more deeply inserting government into the lives of its citizenry through overregulation and governmental edict.

Or it could simply be that outraged California Democrats simply detest Trump with an odium that runs deeper than their past disdain for George W. Bush.

Unlike Barack Obama Trump isn't "coastal cool." He's not versed in business-casual schmoozing with tech executives or hobnobbing with the state's moneyed class (the good news for some Californians: they won't be looking at four to eight years of Democratic presidential fund-raisers snarling traffic in the San Francisco Bay Area and the West Side of Los Angeles).

The most dug-in of Trump's California opposition likens itself to "the resistance," fitting for a state long-governed by the star of the *Terminator* franchise. The question is in 2017, does California's open defiance toward the Trump administration prove attractive to a Democratic Party in search of a voice and an identity, or does the reflexive obstruction lead to the impression of a nation-state as a national outlier?

In this edition of *Eureka*, we'll examine two topics expected to be at the center of discord and disconnect between the governments in Sacramento and Washington, DC: illegal immigration and Obamacare repeal/reform. We'll also show how the ballyhooed red-blue divided isn't quite what it seems. We'll also share some new poll results that gauge the state's temperature on Trump, policy changes, and a new year of political possibilities that many didn't see coming.

That includes

- Tammy Frisby, a Hoover research fellow, takes us through the findings of the latest Hoover Institution/Lane Center

Golden State Poll that asked Californians a battery of questions on Trump, sanctuary cities, and their postelection state of mind.

- Scott Atlas, the Hoover Institution's David and Joan Traitel Senior Fellow, lays out five defining features of a "Trumpcare" replacement for Obamacare and its impact on the Golden State.
- Tim Kane, a Hoover research fellow, explores what the Trump administration may do with regard to immigration reform and sanctuary cities in California: carrots and sticks at the executive branch's disposal.
- Sam Abrams, a Hoover research fellow and professor of politics at Sarah Lawrence College, explains why the conventional wisdom of a divided California doesn't match up to state demographics and voting trends.

We hope you enjoy this latest installment of *Eureka* and that it gets you thinking about where California stands and if we're moving in the right direction.

Happy reading!

Bill Whalen is a Hoover Institution research fellow, primarily studying California's political trends. From 1995 to 1999, Bill served as Chief Speechwriter and Director of Public Affairs for former California Governor Pete Wilson.



POLL ANALYSIS

Voters' Views on Sacramento and What a Trump White House Means for California

by Tammy M. Frisby

The most recent Golden State Poll had a lot of ground to cover. For the fourth January in a row, we asked Californians to reflect on the state's government, public policy, and politics just as the governor is about to do the same in his yearly address at the end of the month. With a new presidency about to begin too, we augmented our annual State of the State question series with a battery of questions about what Californians think a Trump administration could mean for the Golden State. We covered a set of campaign promises that Donald Trump made during the presidential campaign, but we honed in on immigration, asking about Trump's deportation plan, the proposed border wall, and sanctuary cities. Finally, in an already meaty survey, we made room for a question about the reemergence of the idea of independence for the Republic of California, or Calexit.



The survey, administered by the survey research firm YouGov and sponsored by the Hoover Institution in partnership with Stanford University’s Bill Lane Center for the American West, was conducted January 5–9th, 2017. The survey’s sample was 1,700 adult Californians, including about 1,500 self-identified registered voters. The margin of error for the full sample is plus or minus 3.82 percent for the full weighted sample. The full results, with data reported by demographic and political groups, are available [here](#). Among our most notable findings:

Californians’ Assess the State of the State

When we asked Californians about the direction of their state over the last year, the overall view was decidedly mixed. Thirty-one percent of Californians responded that things in California had become worse while the same share, another 31 percent, said that things had become better. Slightly more of the Californians we surveyed, 36 percent, said that things had stayed the same. This represents some modest improvement from last January, when 38 percent said that things were worse and 27 percent said things were better.

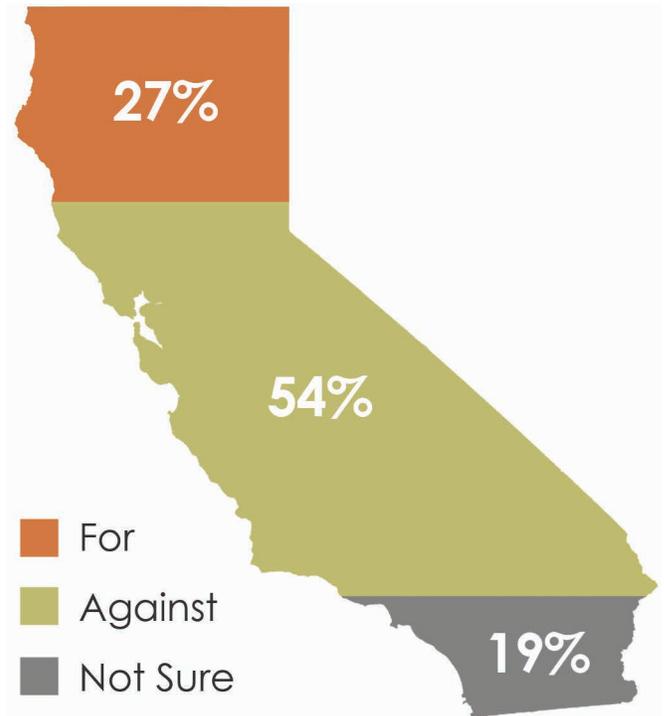
In addition to the general question about how California fared during the previous year, we also asked for an assessment of California’s state government. We asked whether the way our state government runs serves as a good model for other states to follow. Forty-four percent of voters agreed that California state government was a good model for other states, more than the 34 percent who disagreed or the 22 percent who neither agreed nor disagreed. This overall positive view is primarily attributable to the opinions of the state’s Democrats, 62 percent of whom hold out the state’s government as a model compared to 26 percent of California Republicans. Independents are evenly divided, with 33 percent agreeing the state government is a good model, 34 percent disagreeing, and 33 percent unsure.

How Governor Brown Has Handled the State’s Challenges

On the range of issues that we asked Californians to consider, Governor Brown has the surest footing among voters on his leadership in response to the drought. Fifty-three percent strongly or somewhat approve of the governor’s handling of the state’s response to the drought, with 26 percent disapproving. Among respondents with the highest self-reported interest in following the news, 58 percent approved of Brown’s approach to the drought.

Governor Brown has similar levels of approval on how he has encouraged economic growth in the state, with 51 percent approving, with that figure higher, 56 percent, among

CALEXIT: ARE CALIFORNIANS FOR OR AGAINST?



Source: Hoover Institution Golden State Poll

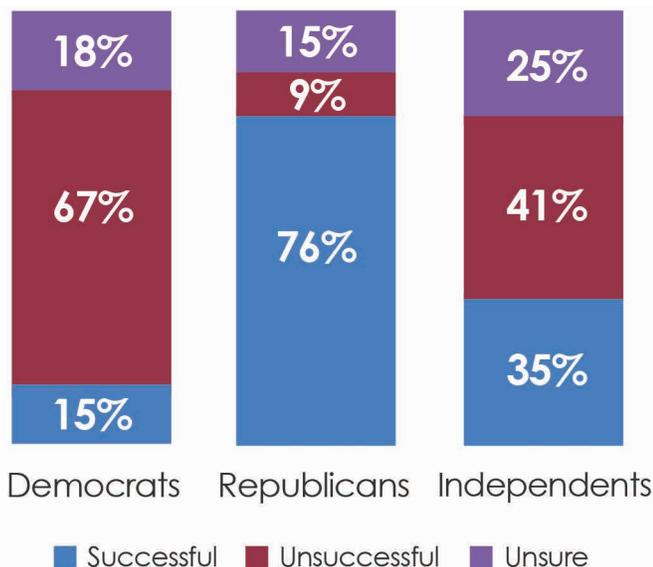
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Californians who said they follow the news most of the time. Likewise, a near majority of voters, 47 percent, approve of Brown’s management of the state’s budget, with 56 percent support among voters who said they follow the news.

Brown’s “areas for improvement” are clearly in infrastructure, with only 39 percent of voters’ approving how he has handled issues of transportation infrastructure. On the question of his support for tunnels to transport water under the California delta, 35 percent of voters approved his approach. Even among those voters who follow the news most closely, the approval of Brown’s handling on these issues is in the 40s.

Education is also a sticky area for the governor. On the matter of funding for K–12 education, 48 percent of California voters approve of how Brown has handled the challenges. Support is similar for Brown’s approach to funding for public higher education, 46 percent. Also worth calling out is that, when it comes to education, the governor does not enjoy a bump in support levels among voters most interested in the news that he does for other issues. Among that subset of voters, 50 percent approve of Brown’s handling of K–12 funding and 49 percent support his actions on California public higher education.

EXPECTATIONS FOR THE TRUMP PRESIDENCY



Source: Hoover Institution Golden State Poll

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Voters Set Their Priorities

One year ago, with the reality of the drought in California inescapable, dealing with the state's water problems held the top spot on our list of twenty issues that we asked Californians to prioritize. Today the challenge of the state's long-term water shortages still ranks as one of the items at the top of the to-do list that Californians have for their state government. Sixty-one percent of California voters see it as a top priority, statistically tied with the need to strengthen the state's economy (62 percent). The other issues that majorities called out as top priorities for Sacramento in the coming year: balancing the state's budget (54 percent), improving the job situation (54 percent), and reducing crime (53 percent).

Dealing with the issue of illegal immigration was a top priority for 42 percent of all voters. This ranked squarely in the middle of the pack in this year's survey, ten out of twenty. This is, interestingly, a few spots lower than last January's survey. White and Hispanic voters were similarly likely to put the issue as a top priority, 44 percent and 40 percent, respectively.

What Does a Trump Presidency Mean for California?

The topic of immigration leads us to the second major part of this year's State of the State Golden State Poll: Californians' thoughts about how possible changes to national policy by a Trump administration could affect life in California.

Deportation and the Wall

We asked Californians about Trump's campaign promise to deport illegal immigrants. In doing so, we prompted respondents to focus on what they think this deportation plan would mean for California, rather than the nation or them personally. This is the approach we took on all the public policy questions in which we asked respondents to think about a proposed policy's effects. In our deportation question, we provided some detail about the president's proposed deportation plan, explaining that it would permanently bar illegal immigrants who have been convicted of other crimes from reentering the United States but would allow others to apply to reenter legally to live and work.

Although we did not find majority support among Californians for the deportation plan, a plurality of California registered voters, 44 percent, and 46 percent of Independents, said that they thought the state would be much or somewhat better off if Trump's deportation plan took place. This view was held by more respondents than those who disagreed and thought the state would be worse off with the deportation plan. Thirty-nine percent of all registered voters thought that California would be somewhat or much worse off, along with 35 percent of Independents. Among white voters support ticked into a bare majority, 51 percent to 36 percent. Hispanic voters were more likely to view the deportation idea unfavorably, 30 percent to 47 percent. These numbers speak to blue California's long and complicated relationship with illegal immigration.

That knotty picture extends to how Californians think about the prospect of a wall built across the entire southern border of the United States. California voters have a less positive view of the wall's impact on their state than of a deportation plan. Forty-five percent see California as being worse off, compared to 35 percent who would expect the state to benefit overall. White voters, as a group, hold the reverse opinion, saying, 43 percent to 41 percent, that California would be better off. In contrast, Hispanic voters are overwhelmingly of the view that California would be worse off. Fifty-five of Hispanic voters said California would be worse off if the wall was built; only 22 percent had a positive view of the wall.

Given some of the claims made by the wall's supporters about the relationship between working-class jobs and illegal immigration, it is notable that the income group least supportive of the wall are those California voters with family incomes under \$40,000 per year. Only 28 percent of these Californians had a favorable view of the impact of a border wall on California. Among Californians earning between \$40,000 and \$100,000 and those in families earning over \$100,000, 38 percent in both groups see the wall as beneficial to California.



Sanctuary Cities

Trump's immigration policy might also bring dramatic changes to California if the new White House tries to bring an end to so-called "sanctuary cities, where local police or city government employees do not automatically turn over illegal immigrants to federal law enforcement officers for possible deportation.

Our survey found California voters equally split on sanctuary cities, with 40 percent supporting and 41 percent opposing the practice. Among Independents, one in three, 31 percent, supported sanctuary cities, but opposition was the majority position among these unaffiliated voters, with 53 percent disapproving of these immigration law enforcement practices. There were racial and ethnic differences on the issue as well. White Californians oppose the practice of sanctuary cities, 37 percent to 49 percent. In contrast, Hispanic voters support them, 46 percent to 29 percent.

We also conducted an information experiment in which we asked about opinions on Trump's suggestion of denying federal funding to sanctuary cities to pressure municipalities to end the practice. We asked half of respondents about the idea without being specific about the federal programs that could be affected. The other half saw a version of the question that listed five programs, including homeland security and low-income school lunch programs.

In response to the general question, Californians were divided, with no majority position emerging, 38 percent supporting and 40 percent opposing. The overall results were statistically similar in the more detailed question, 40 percent–40 percent.

A notable shift did occur, however, among Independent voters, who were more likely to support denying federal funding to sanctuary cities when programs were named. Independents were 34 percent–35 percent on the general question but 46 percent–37 percent on the question that provided the additional information. The subgroups of Independents, especially on this split sample experiment, are relatively small, so these results should be interpreted cautiously. That said, these figures are glass half-full or half-empty, depending on your position in this debate. Either the status quo would likely be safe were the decision left to Californians, or it may be possible to influence Independent voters to support federal funding sanctions for sanctuary cities.

Gazing into the Crystal Ball

What expectations do Californians have for a Trump presidency? When asked to make an overall judgment about whether Trump's term over the next four years would be successful or

unsuccessful, most Californians said they expected it to be unsuccessful (45.5 percent) or indicated they were not sure (19 percent), with 35.5 percent responding that they expected Trump's term to be successful. These numbers are about what we would expect in state that voted 61.6 percent for Hillary Clinton and 32.8 percent for Trump in the presidential election. Although Democrats and Republicans split in the predictable partisan directions on their expectations for a Trump presidency, Independents are roughly equally divided: 35 percent saying successful, 41 percent predicting an unsuccessful presidency, and 25 percent unsure.

The most interesting results on this question come from looking at the responses by demographic subgroups of respondents, especially gender and race. As many men expect the Trump administration to be successful as unsuccessful (41 percent to 42 percent). Women, however, foresee an unsuccessful Trump term by almost 20 percentage points (31 percent successful to 49 percent unsuccessful). As with men, white and Asian respondents have evenly split expectations (whites: 43 percent to 42 percent; Asians 40 percent to 41 percent). But Hispanic respondents went two to one for the expectation of an unsuccessful Trump presidency (27 percent successful to 53 percent unsuccessful).

Calexit

As the coda to our January 2017 survey, we asked Californians about the notion that California should declare its independence from the rest of the United States. We presented the possibility of a November 2018 ballot initiative calling for a special election to decide and asked, if that special election were held today, would you vote for or against California declaring its independence to become its own country? We asked this question in two different formats, one of which used the term *secession*. The aggregate results were statistically similar.

In short, the vast majority of Californians did not think this was a good idea. Opposition ran double in both cases, 58 percent to 25 percent and 54 percent to 27 percent. Among partisans, Democrats were more likely to support Calexit than Republicans. But in the wake of a presidential election, one has to wonder if those partisan differences are driven by dissatisfaction with the outcome of the presidential race rather than anything inherent to the politics of the Golden State.

Tammy M. Frisby is a Hoover Institution research fellow, who studies American national politics and public policy making. She leads survey design and data analysis for the Hoover Institution/Lane Center Golden State Poll.



FEATURED COMMENTARY

What Should California Expect from TrumpCare? Here Are Five Predictions for the Coming Rx

By Scott W. Atlas, MD

“Repeal and replace”—the mantra of the Republican opposition to the Affordable Care Act (ACA)—is about to become a reality.

President-Elect Trump has identified this as his immediate priority. Representative Tom Price, a long-standing opponent of the ACA who has [his own replacement](#), adds legitimacy to the president-elect's plan as the nominee for secretary of health and human services. Although less heralded, the Centers for Medicare and Medicaid Services' (CMS) nomination of Seema Verma, the consultant behind the Medicaid reforms in several states that added premium support, health savings accounts, and personal responsibility, speaks just as powerfully.

As expected, Democrats and others wedded to preserving the ACA have already issued dire warnings about a catastrophic disruption should the law be repealed. Incongruously, they claim that the ACA cannot be replaced because the hyper-regulated state of health care abruptly imposed by the ACA is somehow too complex to unwind, regardless of its destructive impact on consumers.

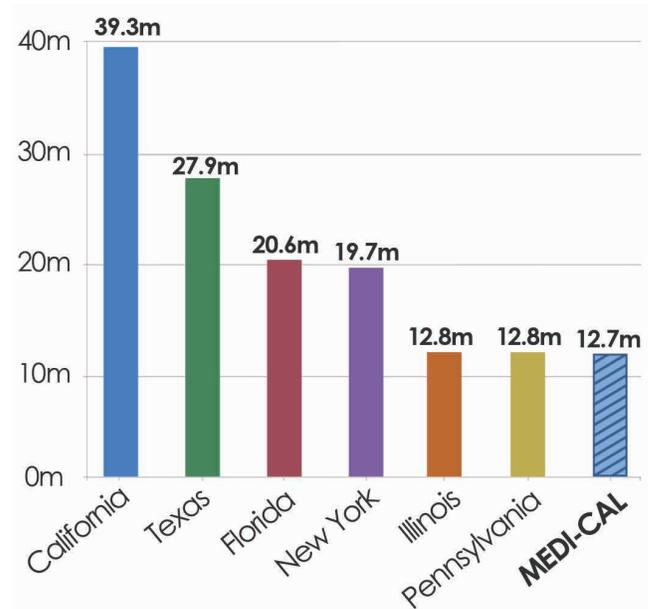
Under the incoming administration, Americans should expect a significant and dramatic reversal of the ACA in fundamental ways:

1. Costly regulations will be streamlined and taxes will be rolled back

Under the misnomer of essential benefits the ACA excessively regulated private insurance, raising premiums and reducing insurer participation in the individual market. For instance, it expanded the already bloated requirements of health insurance by which insurance is required to cover care for everything from acupuncture to marriage therapy (i.e., care that many consumers would never opt to purchase).

California includes sixty-three coverage mandates, aside from federal ACA essential mandates. Particularly when combined with low deductibles, such broad coverage increases insurance prices and removes any incentive to consider price and value, leading to higher prices for care. Deregulating to permit limited-mandate plans with catastrophic benefits in every state would add low-cost coverage and reduce expenses for individuals who deem that coverage appropriate.

IF CALIFORNIA'S MEDI-CAL PROGRAM WERE A STATE, IT WOULD HAVE THE NATION'S SEVENTH LARGEST POPULATION



Source: California Department of Health Care Services

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Many of the [\\$500 billion in taxes](#) introduced by the ACA are highly detrimental to the consumer; these likely will be eliminated. For example, the \$60 billion Health Insurance Providers tax that, per the Congressional Budget Office's estimate, increases insurance costs by thousands of dollars over the decade for individuals and businesses should be stricken. The individual tax/mandate that forces purchase of government-defined insurance will be removed, as will the employer mandate to furnish the expensive coverage that ultimately replaces take-home wages.

2. Health savings accounts will be expanded to empower consumers

Health savings accounts (HSAs) are effective vehicles for enabling individuals to pay for health care while encouraging shopping for value. Through HSAs health-care prices become subject to the constraints of cost-conscious buyers.

Rather than arbitrary price setting by bureaucrats, which distorts markets and limits supply, individuals and families determine the fair price of care; health expenditures and prices come down. HSA enrollees also use more wellness programs, saving money and improving health. In the Trump reform, consumers should expect HSAs to have a central role in any new proposal, with far higher maximums and more liberalized uses.



3. Medicare will be modernized to preserve the program

Medicare's Hospitalization Insurance fund will be depleted in 2030. As the population of seniors is dramatically expanding, the taxpayer base financing the program is shrinking.

In California, the projections for Medicare eligibility are staggering. From now to 2060, the sixty-five to seventy-four, seventy-five to eighty-four, and eighty-five or older populations will grow at rates six- to fifteenfold greater than the population of working adults. Meanwhile, health expenses for a sixty-five-year-old will triple by 2030. Fewer doctors are now accepting new Medicare patients. The program must change.

Modernized Medicare should allow beneficiaries to choose private insurance competing for their benefit dollars. Because American seniors now have a life expectancy of eighty-five, they need to save for decades of health care. That calls for HSAs, with the same limits and features of other HSAs, including optional tax-free rollovers from retirement accounts. Add competing private insurance choices and HSAs will further constrain medical care prices system-wide because the heaviest users of care are seniors. The age of eligibility should reflect today's demographics, not when the program began more than fifty years ago.

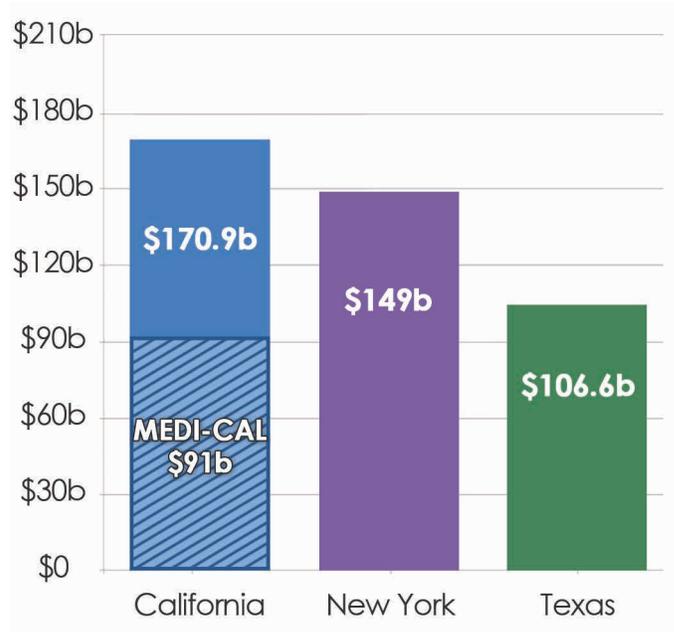
4. The isolation of the poor to substandard medical care under Medicaid will be ended

Even of the limited providers formally contracted to accept Medicaid, health and human services reported in 2014 that 56 percent of primary-care and 43 percent of specialist doctors were not available to new patients. Despite that, the ACA dramatically expanded Medicaid and continued this second-class health system, with its inferior outcomes and limited access to doctors for poor Americans, at a cost rising to \$890 billion in 2024.

As governor of Indiana (with the assistance of the aforementioned Seema Verma), Mike Pence included important reforms in his state's Medicaid plan, such as HSA accounts with premium support for private coverage; obligatory out-of-pocket payments for all beneficiaries beginning at \$1 per month, and copayments for nonemergency use of emergency rooms; and incentivized personal responsibility, including rewards for healthy behavior and disenrollment for failure to pay premiums.

A Trump-Pence administration will likely immediately grant federal waivers to all states, so that Medicaid could include the options to use current federal funding toward private insurance. In California that amounts to 62.5 percent of the state's Medicaid costs. That money could also seed-fund

IF CALIFORNIA'S MEDI-CAL PROGRAM WERE A STATE BUDGET, IT WOULD BE THE NATION'S FOURTH LARGEST



Source: California Department of Health Care Services

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HSAs with part of the current federal contribution, creating assets and encouraging healthy lifestyles to protect those assets.

Concomitantly, deregulating the hyper-regulated ACA insurance exchanges is essential to avoid shifting Medicaid into that counterproductive environment. Federal funding to state Medicaid programs should be contingent on states' meeting enrollment thresholds into private coverage. Those changes would transform Medicaid into a bridge toward private insurance, with the same access to doctors, specialists, and treatments and the same outcomes as everyone else.

5. Health-care innovation will be facilitated

Consumers always benefit from competition, and health care is no exception. This administration will look at ways to inject competition among providers and increase supply via regulatory reform.

One important step is to remove unnecessary scope-of-practice restrictions on nurse practitioners and physician assistants, who are fully capable of issuing routine primary care at lower costs than doctors. More directly felt by consumers is the deleterious impact of government bureaucracy on drugs, the development of which has extended to require fourteen years and more than \$2 billion in costs.

Because competition drastically reduces drug prices, the Trump administration will focus on reducing barriers to entry, especially those that have delayed new generics coming to market instead of price-fixing, which would limit availability and hinder new drug development.

The ACA's \$24 billion device tax and the \$30 billion tax on brand-name drugs have impaired innovation and cost jobs, resulting in facility expansion offshore rather than in the United States. Thousands of high-paying jobs will have been lost to ACA taxes and regulations, especially in states like California, the epicenter of medical innovation and health-care start-ups, and Indiana, with its three hundred medical device companies and \$10 billion dollars in life science exports a year. Under a temporary freeze until January 2018, this administration should, and likely will, finalize a repeal of the medical device tax.

By now most recognize that the ACA's harmful regulations generated skyrocketing premiums, reduced choice of doctors, expanded failed government programs, and accelerated harmful health sector consolidation. Expectations are high that the Trump administration will quickly deliver on its promises about health-care reform. The November election provided the opportunity not only to rid our system of the harms of the ACA but to remedy the flaws in America's health care that have been promulgated by entrenched politicians of both parties for decades.

Scott W. Atlas, MD, is the Hoover Institution's David and Joan Traitel Senior Fellow and author of *Restoring Quality Health Care: A Six-Point Plan for Comprehensive Reform at Lower Cost* (Hoover Institution Press, 2016).



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CALIFORNIA OBAMACARE— BY THE NUMBERS

More than five million Californians would be directly affected by an Obamacare repeal. About 3.7 million Californians who weren't eligible before Obamacare now have Medi-Cal, the state's Medicaid health-care program. Before January 2014 only adults earning up to the federal poverty line were eligible; single adults without children were excluded. That eligibility limit has since been raised to 138 percent of the federal poverty level (\$16,400 in 2016) for Medi-Cal. An additional 1.4 million Californians now have private insurance through Covered California, with nearly 90 percent of them receiving federal subsidies. Los Angeles County has California's highest Obamacare subscription, about 1.5 million residents, or 15 percent of the state's population.

CALNOTES:



REPEAL/REFORM MEANS COUNTING TO SIXTY—BUT NOT IN CALIFORNIA

A simple piece of math that may prove key to the Obamacare repeal/replace effort: twenty-five Senate Democratic seats are on the line in 2018, including ten in states that Donald Trump carried last November (Florida, Indiana, Michigan, Missouri, Montana, North Dakota, Ohio, Pennsylvania, West Virginia, and Wisconsin). Adding eight of those ten Democratic votes to the Republicans' fifty-two-seat majority would be enough to put an end to a filibuster effort. All of which suggests that ending Obamacare entails twisting arms in Congress and a presidential hard sell in a select few red states.

CALIFORNIA DOCTORS MAKE A WASHINGTON HOUSE CALL

Is there a doctor in the (White) House? Six of the fifty-five signers of the Declaration of Independence and two of the thirty-nine crafters of the US Constitution were physicians, as were 17 of the 535 members of the last Congress. In California, that includes Democratic Representatives Ami Bera (Sacramento area) and Raul Ruiz (eastern Riverside County). Americans have never elected an MD to lead the nation (the closest we've come is William Henry Harrison, a med school dropout). Two, however, have been nominated to serve in the Trump cabinet: Representative Tom Price (health and human services) and neurosurgeon Ben Carson (housing and urban development).

What's Wrong with Sanctuary Cities? What Might Be Done? How Might It Affect California?

By Tim Kane

Donald Trump's immigration policies were widely mischaracterized during the 2016 election campaign. Time and again media critics described Trump as a racist who opposes immigration.

The reality is that, as a candidate, Trump embraced legal immigration as part of America's heritage and a pillar of the economy. He even said that the majority of the eleven million undocumented immigrants who are not convicted criminals would be allowed to stay, focusing his ire on "criminal illegal aliens."



This is hardly an extreme stance, but facts don't matter to partisan pundits. Who would object to deporting convicted criminals with no right to be in the country in the first place?

Unfortunately, [three hundred cities and other jurisdictions](#) object. Indeed, thirty-seven city leaders nationwide have reaffirmed their rebellious policies; others such as Boulder, Colorado, and Pittsburgh, Pennsylvania, are joining the movement.

Ironically, the sanctuary cities have been in open rebellion for many years, not against Trump but against President Barack Obama and a federal government that has the authority to track down actual killers and other criminals. A sanctuary city policy calls for noncompliance with federal officials, which amounts to the release of thousands of criminal aliens into the general public, including individuals that Immigration and Customs Enforcement (ICE) agents are trying to deport.

Although Democrats have blamed everyone from Kremlin hackers to deplorable Michiganders for the surprising loss of Hillary Clinton, the individual most responsible just might be Juan Francisco Lopez-Sanchez, the previously deported illegal alien who shot and killed [Kate Steinle](#) on a public pier in San Francisco during the early summer of 2015. That story vindicated Trump's rallying cry against criminal immigrants in a speech just days earlier. Lopez-Sanchez had been convicted of felonies seven times and deported from the United States five times. Yet the San Francisco sheriff released him from custody in April 2015 rather than alert and cooperate with federal agents.

Why?

The idea of giving sanctuary has an ancient heritage. The modern incarnation harkens back to the Underground Railroad active before the Civil War. The Fugitive Slave Act of 1850 required officials in free northern states to comply with southern slaveholders and, worse, created large financial rewards for each fugitive returned. States from Vermont to Wisconsin responded with sanctuary laws that forbade local judges to comply, a stance echoed by modern sanctuary cities.

Conflating slavery with criminal immigration, however, is a poor analogy. Both involve a sojourn of labor, but there is more to the story. Nullification of federal primacy was the justification behind the Confederate South's secession in 1860, too. It was southern states in 1861, like sanctuary cities now, that believed their sovereign authority was whatever they wanted it to be.

CALIFORNIA CITIES THAT HAVE REAFFIRMED THEIR SANCTUARY STATUS SINCE THE ELECTION, OR REPORTEDLY HAVE NO PLANS TO CHANGE CURRENT IMMIGRATION-RELATED POLICY



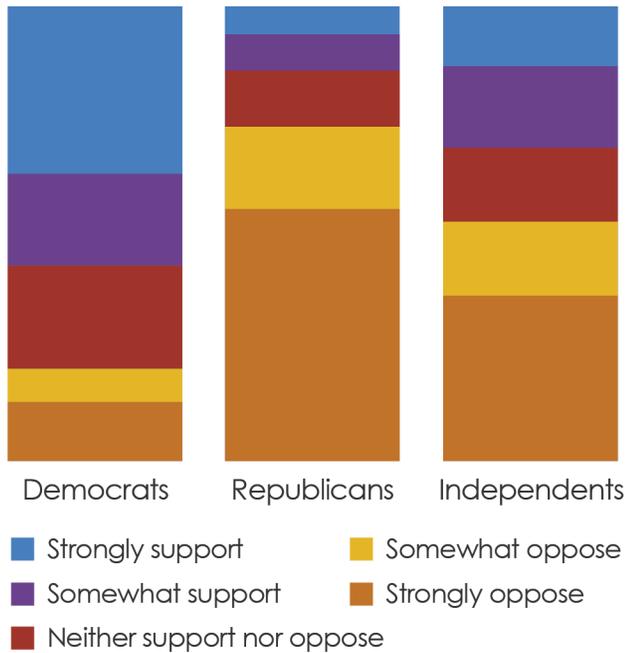
Source: [Politico](#)

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To believe this, however, is also to believe that West Virginia has the right to nullify mining regulations, Idaho has the right to nullify free speech, and North Dakota can build pipelines wherever it darn well pleases. How, for example, would you feel if the San Francisco sheriff decided that drug dealers would henceforth be executed on the spot with no jury trial or limits on cruel and unusual punishment? What if Cincinnati put abortion providers in jail? Clearly there has to be some balance between federalist diversity and constitutional rights. Just as clearly, sanctuary for criminal illegal immigrants upsets that balance.

Even those who favor immigration broadly—and favor the idea of huddled masses yearning to be free in America—can be opposed to sanctuary policies. Hillary Clinton was. At least she said so in August 2015. Barack Obama said he was too. Yet tragedies epitomized by Kate Steinle's killing have been far too common. Odds are high that the sanctuary policies are headed for a clash with the incoming Trump

DO CALIFORNIANS SUPPORT SANCTUARY CITIES?



Source: Hoover Institution Golden State Poll

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administration, but the question is what he can do that Obama couldn’t (or wouldn’t)?

There is a **precedent** for Congress to restrict funds from states and cities like those in California that don’t abide by the law. In 1987 the Supreme Court ruled that federal funds for highways could be restricted from states that did not raise the drinking age to twenty-one with the logic that one issue was “germane” to the funds. That approach has been endorsed by Trump after congressional Republicans, notably Texas member of Congress **John Culberson**, highlighted the fact that existing law provides a vehicle to restrict law enforcement grants to jurisdictions that refuse to comply with federal immigration authorities. “If you want federal money, follow federal law,” Culberson says. “It’s simple. This is Mayor Rahm Emanuel’s choice. This is Bill de Blasio’s choice.”

There are even bigger sticks—and carrots—that the feds could use. Congress is likely to mandate the use of E-Verify, a system that verifies the citizenship and legal work status of all job applicants, which is optional currently (at present, it will expire **on April 28**). Jurisdictions that refuse to comply with E-Verify wouldn’t only put law enforcement funds at risk but labor funds as well. Billions of dollars in funding for everything from unemployment insurance, pensions, and reemployment training programs are suddenly germane to

immigration law. For example, the federal government extended the normal twenty-six-week period of eligibility for unemployment compensation to ninety-nine weeks during the 2009 recession. What if future extensions were only permitted for states in compliance with ICE? Think about it: Why should the people of Ohio pay foreigners who are unemployed in Arizona?

A far less coercive, and perfectly appropriate, compromise is likely to emerge if and when House Speaker Paul Ryan passes legislation that grants legal status to law-abiding undocumented immigrants. One piece of legislation under consideration would grant visa authority to the states. For example, Virginia might be allotted 300,000 work visas, Texas might get 850,000, and Ohio might get 230,000, each proportional to the estimated migrants who register for the program during its first phase. The condition should be that any jurisdiction that refuses to comply with ICE agents will get zero visas. Those portions would be doled out among the compliant states. To be clear, undocumented immigrants in Los Angeles who register would qualify for work visas in other states, just not in Los Angeles (if it retains its anti-ICE regulations). Of course criminal migrants would not qualify.

In the end President Trump will be offering sanctuary to the immigrants who deserve it; sanctuary cities will be holdouts for convicted criminals.

Tim Kane is a Hoover Institution research fellow and author of the Peregrine Blog on Medium, which conducts and publishes the surveys of Hoover’s working group of immigration experts.



CALNOTES:

CALIFORNIA ILLEGAL IMMIGRATION—BY THE NUMBERS



California, home to the nation’s largest Hispanic population (about fifteen million of the state’s thirty-eight million residents) also has the largest population of undocumented immigrants (an estimated 2.67 million). Los Angeles County leads all other municipalities (nearly 815,000 undocumented immigrants), followed by Orange County (nearly 250,000), the Bay Area’s Santa Clara County (more than 180,000), and San Diego County (more than 170,000). About one in ten California workers is an undocumented immigrant, second only to Nevada.



CALNOTES:



WHAT ABOUT CALIFORNIA SANCTUARY CAMPUSES?

Just as complex as sanctuary cities is the question of “sanctuary campuses”: colleges and universities that won't allow federal immigration authorities on campus without a warrant and won't share information without a legal order. A Pennsylvania lawmaker plans to introduce a bill this year barring state funding from any such school. Could an enterprising member of Congress try the same? Of the forty universities receiving the most federal research and development money in 2016, eight happen to be in California.

A GUN TO CALIFORNIA'S HEAD?

If a Trump administration gets it way on changing sanctuary city policy, it might have Obamacare to thank. In 2012's NFIB v. Sebelius, the US Supreme Court determined that Congress was out of bounds in withholding 100 percent of states' Medicaid funding if they didn't expand state programs, a gun to the head because it involved a loss of more than 20 percent of states' budget. Should the Trump administration withhold money well below that 20 percent level? Constitutionally it might be on safe ground. California's Department of Finance estimates that Medi-Cal coverage surpasses \$16 billion, 95 percent of which comes from Washington's coffers.

That Impossibly Divided California You've Read About? Actually, It's Far More Politically Diverse and Competitive

By Samuel J. Abrams

With the votes tallied, the 2016 electoral map of the Golden State once again appears to be deeply divided. The old north-south divide of earlier decades has given way to an east-west divide with narratives regularly speaking of a liberal, prosperous coast and a conservative and impoverished inland: two politically distinct “Californias.” The presidential election results confirm this view, with the coast firmly voting Democratic blue and the inland region going Republican red once again.

The outcome of the 2016 election seemingly supports these ideas of division with some powerful voting statistics.

Seventy-six percent of California's fifty-eight counties voted for one candidate over the other by ten or more percentage points; the average margin of victory across all fifty-eight counties was twenty-six points. Hillary Clinton won thirty-two primarily coastal counties, carrying an average of 62 percent of the vote; Trump won the remaining twenty-six inland counties, averaging 58 percent of the vote in them (statewide, Clinton leads, 62.1 percent to 31.8 percent). Certainly, those data make a strong case for the polarization narrative coupled with a deep geographic divide.

The *New York Times* presented a [similar geographic claim](#) of division in the newspaper's postelection coverage. In this latest narrative, the *Times* and other California-based [news-papers](#) have argued that the Golden State is deeply divided between its urban and rural regions. The *Times* featured this comment from a local frustrated farmer: “There's a huge void and disconnect here between the big cities and the country in this state; they look at us as some sort of tumbleweed in between Sacramento and Los Angeles.”

Certainly a division seems real based on the 2016 voting records of these two regions.

According to the [Rural County Representatives of California](#), thirty-five of California's fifty-eight counties are rural (neither urban nor suburban); Trump won nearly two-thirds of them. Of the remaining twenty-three more urban counties, Clinton won nine out of ten. Although Clinton was generally more successful in the urban areas compared to Trump in the rural regions, one candidate clearly electedly dominated the other based on measures of urbanity.

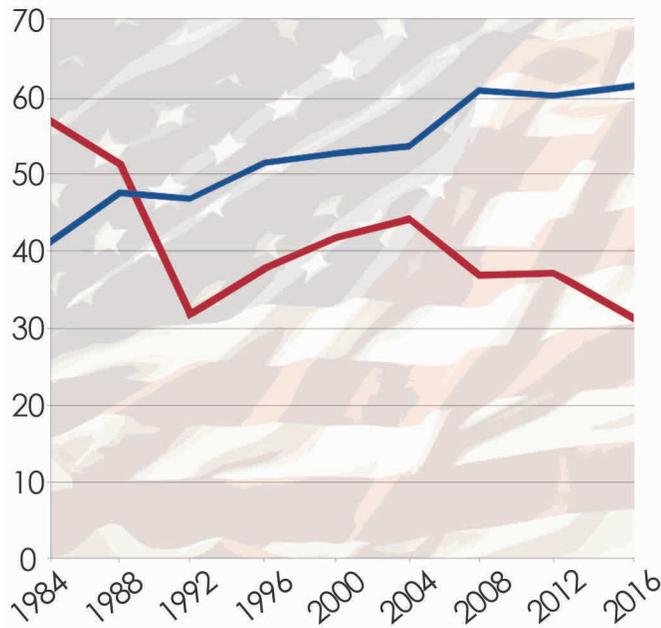
The problem with these urban-rural and the inland-coastal narratives is this: they are just wrong! The cultural and political split is simply not as pronounced or widespread as many observers and pundits would like us to believe.

To begin with, [public opinion data](#) for decades regularly revealed that attitudes toward government, abortion, economic policies, immigration, environmental regulation, lesbian and gay rights, satisfaction with the political system, and electoral behavior and political engagement are practically identical across regions of the state.

California voter registration statistics provide another powerful lens to make sense of the state's political realities because citizens can opt out of narrow party choices.

If we look at these statistics, what becomes immediately clear is that very few of the fifty-eight counties are in fact polarized Democratic or Republican strongholds. The [widely used](#) metric

CALIFORNIA PRESIDENTIAL RESULTS, 1988–PRESENT



Source: California Secretary of State

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for a polarized, landslide county is when 60 percent or more of the voters are registered for one party; in 2016 *not one county met this standard*.

In contrast, close to 60 percent of the counties met this landslide standard in the 1960s. The number has plummeted since then and has hovered around the zero mark since 2002. If we relax the standard to 55 percent for one party, five counties are partisan-leaning: the usual Bay Area suspects of Santa Cruz, San Mateo, San Francisco, Marin, and Alameda, with the Los Angeles region notably absent.

Expanding the definition to a simple majority, only eleven counties have one party with 50 percent or more of the total registration and—like the 60 percent landslide metric—the number of counties that meet the simple majority definition has deeply declined, from almost 95 percent in the 1960s to a little under 25 percent today. Those numbers and huge declines hardly suggest a state with counties that are deeply partisan and growing farther and farther apart. Indeed they are moderating.

Of course, because of redistricting, one could argue that counties are not ideal units to look at questions of partisanship. Even with California's "independent" Citizens Redistricting Commission, boundaries can and do change, with [very real](#) political consequences.

Fortunately, California's secretary of state (the state's chief elections officer) provides registration data by congressional district as well. Despite concerns of manipulation to create safe districts for one party or another, only four of California's fifty-three congressional districts are landslide districts at the 60 percent level (three in Los Angeles and one in the Bay Area). At the 55 percent level, seven districts are landslides; at the 50 percent level, only thirteen are landslide counties by voter registration. Once again it is hard to argue that California districts are heading in different directions politically when only 8 percent of them had 60 percent landslide partisan majorities before the 2016 elections.

The urban-rural divide also collapses on a deeper inspection of the registration data. Looking at the thirty-five rural counties, not one county is a landslide county at the 55 percent or 60 percent level. In only two counties does one party have a majority: northeastern Modoc County, with 51 percent of the registered voters Republican, and southeastern Imperial County, where 51 percent of the registered voters are Democratic. The average GOP registration in the rural counties was actually just 38 percent, compared to 35 percent for Democrats and 27 percent for independents. For a region that is supposedly a red island of conservatives surrounded by a deep blue liberal sea, the registration data show that the Republicans have only a slight lead in a fairly fractured political climate.

Turning to the urban counties, it is certainly true that these twenty-three counties lean a bit to the left, but no county has registration above 60 percent for any party and only 5 are above the 55 percent threshold. That being said, only nine of the counties have a majority. Although all nine are Democratic, the majorities are not huge. In fact, across all of the urban counties, the average Democratic registration is 46 percent, with Republicans and Independents splitting the difference at 27 percent each.

Four years ago my Hoover colleague Victor Davis Hanson surmised that [there is no California](#) in the sense that the Golden State doesn't fit into the preconceived notion of the Midwest or Deep South. In Hanson's words, California has a "postmodern narrow coastal corridor [that] runs from San Diego to Berkeley, where the weather is ideal, the gentrified affluent make good money, and values are green and left-wing." The 2016 party registration, however, suggests a far more politically diverse and competitive set of urban counties.

The question for now is when will Californians demand more from their parties and when will the political elites actually listen to their constituents? The 2016 election publicized the fact that candidates on both the left and right were out of



touch with the people and illustrated how fractured these partisan bases actually are.

There is a huge opportunity here for parties and candidates that actually represent these moderate ideas and listen to the people. California has long been the harbinger of social change in the United States.

Disruption is in the DNA of Californians. Although the movement to [CalExit](#) has suddenly become the *cause de jure*, with liberals and the press claiming that California is a liberal bastion out of step with the rest of the nation in light of the 2016 elections, the registration data do not show that Californians—regardless of how you divide the Golden State—truly reflect such strong leftist sentiments. In reality Californians should embrace their centrism and help usher in a new, moderate mode of pragmatic politics.

Samuel J. Abrams is a Hoover Institution research fellow and professor of politics at Sarah Lawrence College.



CALNOTES:



COULD TRUMP MAKE MEXICO AN OFFER IT CAN'T REFUSE?

Despite what the CalExit planners may think, California can't simply secede from the Union. But Paul Moreno, a professor at Hillsdale College, has an alternative: retrocession. Given that the US government paid Mexico \$15 million back in 1848 for the territory that became the State of California, the feds could cede it back at an equivalent 2017 price (roughly \$415 million). Such a move is unlikely, for it would likely entail a treaty and a two-thirds vote in the US Senate. Then again it might pique the interest of a new president with a fondness for "the art of the deal."

CALNOTES:



BIG BLUE MARBLE ON A ROLL

The year 2016 marked the seventh consecutive presidential victory for a Democrat in California—the longest such streak for either major party in state history. Republican nominees won six straight times from 1968 to 1988. Vermont is considered America's most Democratic state, according to Gallup, with Democrats enjoying a 22 percent edge in party affiliation. As of late October Democrats held a 19 percent advantage in the Golden State.

COUNTING BY THE COUNTIES

Donald Trump lost the popular vote but fared quite differently in the "paint war": a national map that shows much more red than blue. Some 2,623 counties nationwide went Republican in the 2016 presidential election, whereas only 489 voted Democratic, including 32 very populous and coastal California counties. In 2012 the county figures were 2,420 Republican, 693 Democratic. The last time America was this divided was in 1984, when Ronald Reagan took 2,781 counties to only 334 for Walter Mondale. Then again Reagan carried forty-nine states to Trump's thirty.



EUREKA

ABOUT THE PUBLICATION

Eureka was created to serve as an occasional discussion of the policy, political and economic issues confronting California. Like the Golden State motto from which this forum's title was borrowed, the goal here is one of discovery—identifying underlying problems and offering reasonable and common-sense reforms for America's great nation-state.

Ever since Archimedes supposedly first uttered the word, *eureka* has meant joy, satisfaction and a sense of accomplishment. Drawing on the combined wisdom of Hoover's policy experts and leading California thinkers, we hope that you'll find enlightenment in these pages. Hoover research fellow Bill Whalen, who has nearly two decades of experience in California politics and public policy, serves as this forum's editor.

For additional information and previous issues, visit www.hoover.org/eureka.

EDITORIAL DIRECTOR

BILL WHALEN



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