

Letter: Yacht Club helps out on land

To the community,

The South Lake Tahoe Yacht Club's sponsor crew had a busy evening at the July 10 Adopt A Day of Nourishment dinner event.

Helping the Bread & Broth volunteers at their sponsorship meal were SLTYC members George and Liz-Ann Hainsworth, Tina Miranda and Joseph and Bonnie Phair. This hardworking team prepared the utensils, bagged food giveaways, served the barbecued chicken dinner, worked the drinks and dessert table, and ended their evening cleaning and putting away the tables and chairs.

The B&B volunteers at the Monday meal really count on the donor organization and their crew to provide the funding and the work needed to prepare the weekly meal setup and serve the 80 to 100 guests that arrive at Grace Hall to enjoy a full-course, nutritious meal. Feeding the hungry in the Lake Tahoe South Shore community is the mission of B&B and thanks to generous sponsors like the South Lake Tahoe Yacht Club, B&B can provide meals and food to take home every week for those in need.

Volunteering in any form can be a very rewarding and humbling experience. So often the volunteer crew members who serve at B&B meals are rewarded for their concern and caring by the gratitude expressed by the meal's diner guests. Such was Hainsworth's experience. While serving on the line, the clients were very appreciative. There was a 'thank you' from everyone as they passed through the dinner's serving line."

Thank you to the SLTYC and its members for improving the lives of others.

Opinion: Collaborative approach to Tahoe's shoreline

By Joanne Marchetta, Darcie Goodman Collins, and Jan Brisco

School is out and summer is in full swing at Lake Tahoe. Visitors and residents are heading to beaches and launching boats, kayaks, and standup paddleboards to get out and enjoy the jewel of the Sierra. Millions of people visit Tahoe each year and the shoreline is where they go to experience its famously cold, clear, blue water.

Tahoe's shoreline has been a thorny area for planning in the past, riddled by disagreements and litigation. It is an important planning area, however, one that sees the intersection of challenges associated with recreation access and protection of the environment and scenic natural beauty. When the Tahoe Regional Planning Agency updated the Regional Plan for the basin in 2012, we focused on our town centers. One area long unaddressed is the shoreline. Now we're taking on this challenge with a new approach.

A collaborative planning process is under way linking together the Tahoe Regional Planning Agency and more than a dozen public, private, and nonprofit partners. We are working together to create a new Shoreline Plan for Lake Tahoe. We reached a milestone in that process this July, releasing draft policy proposals and announcing the start of a draft environmental review for the plan.

We have much more work to do and this planning process is far

from over. But the draft policy proposals recommended by our shoreline steering committee are a sign that our collaborative and inclusive approach is working this time around.

The shoreline steering committee represents a broad array of stakeholders, including League to Save Lake Tahoe, Tahoe Lakefront Owners' Association, Lake Tahoe Marina Association, Lahontan Regional Water Quality Control Board, California State Lands Commission, Nevada Division of State Lands, and the Tahoe Regional Planning Agency.

For the past year, we've been working to engage the public and navigate through some very difficult planning issues to come up with broadly supported shoreline policies that can enhance recreation access, improve the environment, and protect the scenic beauty of Lake Tahoe's shoreline. This has been a difficult balancing act for many different interests at Lake Tahoe. But it also represents a major opportunity to find areas of agreement and compromise and build partnerships that benefit the health of Lake Tahoe and our communities.

Draft policy proposals released this July would authorize a limited number of new piers, taking an approach that meters out development by defined areas around the lake and scenic sensitivity. Applications for piers that serve multiple property owners or retire future development potential would be prioritized.

The proposals would also authorize lakefront properties and homeowner associations to apply for new buoys; authorize two new public boat ramps; and encourage public access at Lake Tahoe's 14 marinas, which could more easily upgrade their facilities after they have a certified "clean marina" program, an aquatic invasive species management plan, or bundle other environmental improvements into their project design.

We are working together diligently to balance the need for enhanced recreation access for both motorized and non-

motorized watercraft with the need for environmental improvements and the need for protections for the world-renowned beauty of Lake Tahoe's scenic shoreline.

We are also working to create a system of shoreline structures and access that can function during low lake levels with minimal disruption. Five years of drought left many piers and boat ramps high and dry at Lake Tahoe, and some marinas unable to function.

We are now asking people to review these preliminary shoreline proposals, weigh in with ideas and questions, and submit comments to help frame the scope for an environmental analysis of the Shoreline Plan and various alternatives that will be prepared and finalized over the next year. People can do all those things by visiting the **website**. And if your community group or homeowner association would like an in-person update on this shoreline planning initiative, more information about policy proposals or how to get involved, just email the planners identified as points of contact on the **website**.

While our shoreline steering committee and the public have reached a major milestone in this planning initiative this July, we have much more to do.

By continuing to collaborate and work together and bring our best ideas to the table in a spirit of partnership, we can and will develop a Shoreline Plan that improves the environment, protects the beautiful scenery of Lake Tahoe, and lets all lake enthusiasts enjoy this national treasure we all cherish.

Joanne Marchetta is executive director of the Tahoe Regional Planning Agency; Darcie Goodman Collins is the executive director of the League to Save Lake Tahoe; and Jan Brisco is the executive director of the Tahoe Lakefront Owners' Association.

Opinion: Benefits of an LTCC education

By Bob Cliff

Everyone knows what Barton Memorial Hospital does. We have all used it for one reason or another. Yet many people in our community may not fully appreciate what Lake Tahoe Community College brings to our community.

On June 30, LTCC held its graduation ceremony with over 150 students getting a degree or certificate. Many will go on to a four-year university to get a bachelor's degree.



Bob Cliff

We now know where last year's 163 students who graduated from LTCC went. Of these, 80 went on to a university for a bachelor's degree, and 28 went on to a two-year school (for example, a two-year nursing program). The rest (25) earned an associate's degree or certificate and went on to get a job. Each of these students now has many new options ahead of them.

Let's look at the impact of an LTCC education.

With a high school degree, the average income in our country is \$35,300 per year. With two years of college leading to an associate's degree from LTCC, or a certificate, the average

income in the U.S. is \$41,500 per year. With this degree, our students can enter a variety of fields. For example, LTCC has programs in fire science, dental assisting, phlebotomist (someone who draws blood), computer and information sciences, business, and the list goes on. The good news is that the students pick the field they want to go into. They are working in an area they love.

But there is more good news. As you can see, many students who graduate from LTCC go on to a university for a bachelor's degree. These universities include University of California schools (like UC Davis or UC Berkeley) or one of the California State universities (Sacramento State University or Chico State University). These college students, when they graduate, will earn an average of \$59,100 per year, but in California the wages will often be higher than that. A student graduating in mechanical engineering who lives in California (a higher income state), can often start at around \$100,000 per year depending on the school they attend. Furthermore, workers with a bachelor's degree will usually get retirement contributions paid by their employer along with medical insurance. Not a bad deal.

The average fees at LTCC are about \$1,350 per year, but low-income students can often get this waived. At a UC the fees are about \$14,000 per year, or total fees of \$56,000 for four years. But with the first two years at LTCC and the last two years at a UC university, the total tuition would be \$30,000. Having the first two years of college at LTCC reduces the tuition costs by almost half. In addition, the cost of living in Tahoe is much cheaper than living, for example, in Berkeley or Davis. Many of our students from LTCC will also get scholarships and grants at a UC university, which will further lower their costs. And now with LTCC's new University Center, which was dedicated this past month, we will start to offer four-year degrees in selected fields.

LTCC offers excellent college courses taught by experts at a

much lower cost. Many graduates of LTCC probably feel that LTCC has been a miracle maker for them. Our alumni have become business persons, doctors, engineers, firemen and women, nurses, and other professionals.

An LTCC degree can provide a student with an amazing start for their future career at a fraction of the cost of a four-year university. This fall, the college is hosting a community forum to introduce some of the students who are now finishing their educations at a university, as well as students with two-year degrees from LTCC who are now working in successful careers. Come hear their success stories and ask questions. Save the date of this forum: Sept. 14 at 6pm on LTCC's campus. See the miracle LTCC helps to create.

Bob Cliff is an LTCC Foundation board member.

Opinion: Sportswear brands should use athletes

By Sasha DiGiulian, Outside

I recently read an article on Racked titled "Want to Sell Me Sportswear? Show Me an Athlete," and it resonated with me as a professional athlete who's never been in a major sportswear ad. It made me ask: Why do big athletic companies, like Nike, Adidas, and Reebok, often choose high-fashion models to pose as female athletes, rather than draw from the ranks of the numerous professional athletes they sponsor?

Here are just a few recent examples of this happening: Bella Hadid is the face of a new Nike campaign for the Cortez sneakers, originally designed for runners in 1972; Karlie

Kloss models Adidas' fashionable performance line, Stella McCartney; and Gigi Hadid plays a boxer for Reebok's "Perfect Never" campaign. These images of female "athletes" suggest that it is more important that women look stereotypically feminine and lean than be able to perform at an elite level. This doesn't happen nearly as often with men: sports brands seldom use male models as the faces of their fitness lines, instead opting for professional male athletes.

Read the whole story

Opinion: 'Fire tax' caught up in politics

By Ted Gaines

Gov. Jerry Brown is dangling elimination of the illegal "fire tax" as a sweetener for Republicans to vote for his incredibly expensive, pie-in-the-sky climate change scheme that would put billions upon billions of new costs on the backs of California families and businesses.

I hate the fire tax. It smacks of all the worst impulses of the elitist, urban, legislature and their out-of-control spending. In 2011, an overextended legislature and big spending governor cut a dirty deal to take \$90 million from the CalFire budget and put it into the unaccountable general fund.



Ted Gaines

To backfill that \$90 million hole (which they created), they concocted a blatantly illegal tax to punish Republicans for not playing along in sham budget negotiations. Rural property owners, mostly in Republican districts, had to pay, and are still paying, a \$150 fee for every habitable structure in State Responsibility Areas.

It's a bogus tax and it's being challenged in court. I have tried time after time to kill it. I pushed an initiative to overturn it. I introduced bills to eliminate it in its entirety with not a drop of support from the governor. I tried to limit who had to pay the fee, and give a break to those people on limited incomes who were struggling to pay the bill. Not once did Gov. Brown step forward or lift a finger to help pass any of those bills.

I privately told the governor that since California, according to his own words, was operating with a budget surplus the past few years, that he should kill the illegal, discriminatory fire tax. He did nothing.

Now, in an incredible show of gumption, Brown is telling Republicans who don't support his gold-plated Cap-and-Trade legislation, which includes a suspension of the fire tax, not even a repeal, that THEY will be responsible for the tax.

Brown must have missed the past six years of my and other Republican attempts to kill it.

His climate change bill would chase people out of the state with increased costs. It could add an additional seventy-three

cents to every gallon of gas. It would drive up electricity rates, which are already 50-percent higher than the national average. It would drive up the price of every single good and service we buy in the state, for everyone.

Throwing the fire tax into the climate change bill is political extortion. If Governor Brown really wants to know who is responsible for shafting 800,000 rural property owners, he needs to look in the mirror.

And if the governor really believes his shakedown of rural taxpayers is a bad idea, my Senate Bill 9, which would repeal fire tax forever, is in the legislature right now.

I'm still waiting for his support.

State Sen. Ted Gaines represents the 1st Senate District, which includes all or parts of Alpine, El Dorado, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra and Siskiyou counties.

Opinion: Fearing emotionally manipulative robots

By Colin Allen and Fritz Breithaupt

"Keep going straight here!"

"Err, that's not what the app is telling me to do."

"Yes, but it's faster this way. The app is taking you to the beltway. Traffic is terrible there!"

“OK. I don’t know these roads.”

So went a conversation with an Uber driver in northern Virginia recently. But imagine it was a self-driving Uber. Would you even have that conversation, or would you be doomed to a frustrating 25 minutes on the beltway when you could have been home in 15?

And as your frustration mounts, will the AI driving the car recognize this—or appear to—and respond accordingly? Will customers prefer cars that seem to empathize?

Or imagine instead that you and your partner are arguing in the back seat over which route to take. How will you feel when your partner seems to be siding with the machine? Or the machine is siding with your partner?

Empathy is widely praised as a good thing. But it also has its dark sides: empathy can be manipulated and it leads people to unthinkingly take sides in conflicts. Add robots to this mix, and the potential for things to go wrong multiplies. Give robots the capacity to appear empathetic, and the potential for trouble is even greater.

To know why this is a problem, it helps to understand how empathy works in our daily lives. Many of our interactions involve seeking empathy from others. People aim to elicit empathy because it’s taken as a proxy for rational support. For example, the guy in front of you at an auto repair shop tells the agent that he wants his money back: “The repair you did last month didn’t work out.” The agent replies: “I’m sorry, but this brake issue is an unrelated and new repair.” The argument continues, and the customer is getting angry. It seems like he might even punch the agent.

But instead, at this point, the customer and the agent might both look to you. Humans constantly recruit bystanders. Taking sides helps to settle things before they escalate. If it’s two against one, the one usually backs down. A lot of conflicts

thereby get resolved without violence. (Compare chimpanzees, where fights often lead to serious injury.) Our tendency to make quick judgments and to take sides in conflicts among strangers is one of the key features of our species.

When we take sides, we assume the perspective of our chosen side—and from here it is a short step to develop emotional empathy. According to the three-person model of empathy introduced by Breithaupt, this is not entirely positive, because the dynamic of side-taking makes the first side we take stick, and we therefore assume that our side is right, and the other side is wrong. In this way, empathy accelerates divisions. Further, we typically view this empathy as an act of approval that extends to our consequent actions, including, for example, lashing back at the other side.

Now let's imagine that the agent at the repair shop is a robot. The robot may appeal to you, a supposedly neutral third party, to help it to persuade the frustrated customer to accept the charge. It might say: "Please trust me, sir. I am a robot and programmed not to lie."

Sounds harmless enough, does it? But suppose the robot has been programmed to learn about human interactions. It will pick up on social strategies that work for its purposes. It may become very good at bystander recruitment. It knows how to get you to agree with its perspective and against the other customer's. The robot could even provide perfect cover for an unscrupulous garage owner who stands to make some extra money with unnecessary repairs.

You might be skeptical that humans would empathize with a robot. Social robotics has already begun to explore this question. And experiments suggest that children will side with robots against people when they perceive that the robots are being mistreated. In one study, a team of American and Japanese researchers carried out an experiment in which children played several rounds of a game with a robot. Later

the game was interrupted by an overzealous confederate of the experimenters, who ordered the robot into a closet before the game was over. The robot complained and pleaded not to be sent into the closet before the game could be completed. The children indicated that they identified socially with the robot and against the experimenter.

We also know that when bystanders watch a robot and a person arguing, they may take the side of the robot and may start to develop something like empathy for the machine. We already have some anecdotal evidence for this effect from traffic-directing robots in Kinshasa. According to photojournalist Brian Sokol in the Guardian newspaper, "People on the streets apparently respect the robots ... they don't follow directions from human traffic cops." Similarly, a study conducted at Harvard demonstrated that students were willing to help a robot enter secured residential areas simply because it asked to be let in, raising questions about the potential dangers posed by the human tendency to respect a request from a machine that needs help.

It is a relatively short step from robots that passively engage human empathy to robots that actively recruit bystanders. Robots will provoke empathy in situations of conflict. They will draw humans to their side and will learn to pick up on the signals that work. Bystander support will then mean that robots can accomplish what they are programmed to accomplish—whether that is calming down customers, or redirecting attention, or marketing products, or isolating competitors. Or selling propaganda and manipulating opinions.

It would be naive to think that AI corporations will not make us guinea pigs in their experiments with developing human empathy for robots. (Humans are already guinea pigs in experiments being run by the manufacturers of self-driving cars.) The robots will not shed tears, but may use various strategies to make the other (human) side appear overtly emotional and irrational. This may also include deliberately

infuriating the other side. Humans will become unwitting participants in an apparatus increasingly controlled by AI with the capacity to manipulate empathy. And suddenly, we will have empathy with robots, and find ourselves taking their sides against fellow human beings.

When people imagine empathy by machines, they often think about selfless robot-nurses and robot suicide helplines, or perhaps also robot sex. In all of these, machines seem to be in the service of the human. However, the hidden aspects of robot empathy are the commercial interests that will drive its development. Whose interests will dominate when learning machines can outwit not only their customers but also their owners?

Researchers now speculate about whether machines will learn genuine empathy. But that question is a distraction from the more immediate issue, which is that machines will not “feel” what humans feel, even if they get good at naming human emotions and responding to them. (At least for a while.) But in the near future, it doesn't matter which emotions machines have. What is important is which emotions they can produce in humans, and how well they learn to master and manipulate these human responses. Instead of AI with empathy, we should be more concerned about humans having misplaced empathy with AI.

Colin Allen is a philosopher and cognitive scientist who has been teaching at Indiana University since 2004, but is moving to the University of Pittsburgh in fall 2017. Fritz Breithaupt is a humanities scholar and cognitive scientist at Indiana University. This essay is part of a Zócalo inquiry, Is Empathy the 20th Century's Most Powerful Invention?

Letter: Seeking justice at the federal level

To the community,

My company has a set of guidelines for both personal and professional standards one can function and operate within life and society. One of those is, "All you have are your own ideas and the confidence to write them down."

So, on June 26, as a private citizen or a "common man doing an uncommon thing," I walked into the U.S. District Court for the Northern District of Texas in the Earle Cabell Federal Building in Dallas and under my constitutional rights brought a federal complaint against the U.S. Department of Justice and Rod Rosenstein, acting attorney general. I filed the complaint, 3-17CV-1680-D, asking why, Robert Mueller, special counsel appointed to investigate the Russian involvement in the 2016 elections and former director of the Federal Bureau of Investigation, Special Order No. 3915-2017 should not immediately recuse himself or be immediately terminated for a conflict of interest provided by Code of Federal Regulation (CFR) 660.7(d).

After receiving an order from the court on July 5 allowing me to amend my complaint, meeting the criteria set forth by U.S. District Court for the Northern District of Texas; Judge Sydney Fitzwater issued summons on July 6 in Mark Johnson vs. Rod J. Rosenstein, acting attorney general and the Department of Justice; Jeff Sessions, attorney general of the United States; and U.S. Attorney of the Northern District of Texas John Parker. Service of summons began the following day.

My motivation to file this complaint was the discovery of the overwhelming conflicts of interest within the Department of Justice (DOJ), the Federal Bureau of Investigation (FBI) and

the Special Counsel investigation and those individuals involved in Criminal No 1:12CR3. This pathway was deemed necessary as to the severity of the accusations, the parties involved as well as the complexities of this complaint being brought forth.

I am one American trying to do my patriotic duty; "a little revolution now and again is a healthy thing." I was able to use my own research and come to my own conclusions over the last 12 months. I have not had any contact with the parties involved in these cases. I have not had any contact with any official from the current administration, DOJ or FBI. I have not had any contact with anyone from the media prior to my filing. This is about what is right and what is wrong; the value of trust and our justice system for which the United States of America was founded.

In my complaint, I am asking the court to have the DOJ show why Robert Mueller, former director of the FBI and special counsel appointed by Rod J. Rosenstein, acting attorney general, to investigate the Russian involvement in the 2016 elections, Special Counsel Investigation Order No 3915-2017, should not immediately recuse himself or immediately be terminated for a conflict of interest provided by Code of Federal Regulation (CFR) 660.7(d). The special counsel may be disciplined or removed from office only by the personal action of the attorney general. The attorney general may remove a special counsel for misconduct, dereliction of duty, incapacity, conflict of interest, or for other good cause, including violation of departmental policies. The attorney general shall inform the special counsel in writing of the specific reason for his or her removal.

Based on Director Mueller's involvement as director of the FBI and supervisor of the special agent in charge in Criminal No. 1:12CR3, this presents a direct conflict of interest with the open federal grand jury indictment and this matter. This special counsel investigation could lead to Director Mueller,

as well as other former United States attorneys general and former FBI directors and/or special agents in charge and investigating the above mentioned case being called before congressional committees or federal grand juries as witnesses and/or defendants in the Special Counsel Investigation Order No. 3915-2017 and any other future investigations or congressional committees. Being that there is a high probability that he could himself become a witness, should recuse himself or immediately be terminated based on CFR 600.7(d).

Anyone within the FBI, DOJ, Department of State or former employees of any other public or private entities who had involvement with or was related to Criminal No. 1:12CR3 in U.S. District Court for the Eastern District of Virginia United States should recuse themselves or be terminated as well as consider themselves possible witnesses in the current DOJ's investigation into the Russian involvement into the 2016 United States election.

Any future DOJ special counsels, investigation staff, attorneys general and/or staff positions should be required not to have participated or been affected by Criminal No 1:12CR3.

Additionally, an amended motion to show cause was filed with the amended complaint. Judge Fitzwater denied this motion without prejudice allowing it and its contents to be brought in at the appropriate time. The motion to show cause points out that there are direct ties between congressional members who have possible complicity in this matter and the handling of the federal grand jury indictment. Additionally, it points out which congressional districts represent the members of the Motion Picture Association of America who were harmed by the actions for which this federal indictment arose. As an example, four of these studios reside in California's 28th Congressional District represented by Adam Schiff. These studios include Walt Disney Studios and Warner Bros.

Entertainment Inc., which is located in Burbank; Paramount Pictures Corporation is located in Hollywood; and Universal Studios LLC is located in Universal City. You can find Mr. Schiff on any one of these subsidiaries' nightly and/or Sunday news shows being a huge proponent of the "Russian's did it" story while having knowledge of this active federal indictment. Mr. Schiff, being a former prosecutor for the area and former Congressional colleague to former Sen. Chris Dodd, now CEO of the Motion Picture Association of America, the Congressman would be fully aware if there is a defendant that could have evidence and information on the hacking or stealing of information from the Democratic National Committee (DNC) during the election that counters the "Russia did it story," thus creating an illusion of truth to the American public for his constituents, the studios of Motion Picture Association of America.

When this complaint prevails in showing a conflict of interest between the special counsel and the federal grand jury indictment, anyone who has willingly and knowingly promoted the "Russians did it story" with knowledge of this grand jury investigation should have immediate action taken to relinquish, suspend or remove him/her from all congressional committees or investigations he/she might be a part of. This will help to determine if they too, could be considered witnesses and/or defendants in a federal grand jury or congressional investigation regarding this investigation. Anyone who is complicit in the conspiracy to promote or investigate the "Russians did it story" while knowing this federal grand jury indictment could had direct ties to the charge of the special counsel should consider themselves future defendants or witnesses in treasonous charges that would be associated with this type of federal felony crime.

It is my hope the federal justice system will act accordingly as well as allow for any further investigation and/or prosecution of the crimes that have been committed by people

associated with this particular federal grand jury indictment and/or special counsel order.

I can't explain how I got from a few predictions posted on Facebook last year to attempting a written explanation for my 85 year old father to understand, ended up with filing a federal complaint pro se against an acting attorney general of the United States and Russia's supposed involvement in our 2016 elections. Although this is not out of my realm of capabilities to this point, I am far beyond any realm I could ever imagine by taking an action like this under these circumstances. It is only by god's grace and the holy spirit that I got here today and it is by his strength and will that enables me to press on.

God bless America.

Mark Johnson, former South Lake Tahoe resident

Opinion: EDC energy program fleeces seniors

By Larry Weitzman

Another "legacy" instituted by former El Dorado County CAO Larry Combs, which is running rampant in our senior community like a bad disease, is the PACE program. PACE is the acronym for Property Assessed Clean Energy. It is also known as the HERO program which acronym means Home Energy Renovation Opportunity.

Whatever you call the program, to seniors on a fixed income it is mostly a Supervisor Created Access to (senior) Money or

SCAM.



Larry Weitzman

Here's how this county program works. It allows home owners to borrow money for certain "energy saving" projects for their home. The cost for these improvements is borrowed from a county program at what they say is a competitive interest rate and its secured and assessed on to your property tax. With people who have been in their homes for some years (Proposition 13), have seen their taxes double, triple or more.

On top of that, these energy saving items are expensive, especially solar for seniors who don't make enough money to benefit from the \$7,500 federal tax credit. On top of that most seniors live in smaller houses that don't use much energy to begin with. In doing my research, a \$20,000 4 kWh solar system in optimum conditions will only produce about 600 kWh a month at best, which would save EDC seniors about \$120 a month or about \$1,400 a year. The other types of improvements might not even be noticed on your energy bills. And if you want a more efficient heating system, may I suggest a good sweat shirt.

With unsuspecting seniors who get told a line of bovine of how they are going to contribute to saving the world for their grandchildren (remember it's always about saving the children) and the solar system will save them thousands of dollars a year and there won't even be a monthly bill, it will simply cost a few cents a day and you will pay it semi-annually on

your property tax bill. The problem is the exorbitant interest rates some seniors are being hit with; so high that the loan interest will be double, triple or even quadruple the energy savings. It's a lose, lose situation.

But what happens can perhaps best be explained by a recent lawsuit filed in EDC over the PACE program. According to the complaint for damages filed on May 8, a salesman from a Rancho Cordova based company sold a lady who is 77 years old a bill of goods and promises. That the system would cost only \$200 a month, which would be paid for by energy savings from the solar panels and in fact she would get money back from her energy provider, PG&E.

So, what did they "sell" this senior? What I believe to be a 10kWh system for the princely sum of \$58,000. But that's only the beginning. Under the PACE or HERO program, the debt is assessed on the property taxes and therefore becomes a first lien on the property. What that means is if you had a first trust deed against the property like a home loan, it would be unlikely you could ever refinance that home loan as it would now be in second position against this new property tax lien.

With respect to the plaintiff's property which is a manufactured home on 10 acres in Somerset, it has had a property tax assessment of about \$250,000 for the last 11 years which was the exact assessment for the years 2014 and 2015 with an actual tax bill of \$2,651 for both years. But for the year 2016 the tax assessment is \$300,246 and the annual property tax has grown by \$6,041 to \$8,692 instead of what should be a tax of about \$3,000. This solar system is costing this unsuspecting woman \$500 a month in new taxes as payments on a \$58,000 loan. But it gets worse.

The interest rate being charged on this loan is about 9.25 percent (which considering today's interest rates of 4-4.5 percent would be considered "usurious") or of the \$6,000 additional in annual property taxes, \$500 is for the actual

property taxes charged for the improvement and the balance is almost all interest on this loan. At this rate, it will never be paid off and the gross benefit from the solar system is at best \$200 a month. What this company did under the guise of the county PACE program is unconscionable. There are other legal issues involved with this legal matter, but not a subject of this column. This elderly woman's electric bill probably never exceeded \$200 a month to begin with.

I spoke with my county supervisor, Mike Ranalli, not of this case, but how the program lacked protections for seniors and unscrupulous salesmen. This program was snuck on to the board agenda (by Larry Combs) as an addendum, which was a last-minute add-on to the regular agenda, and I doubt that anyone thought of the ramifications and did the proper vetting to protect our residents of El Dorado County, especially our rapidly growing population of seniors. Ranalli certainly didn't as he praised the program saying at the board hearing on Sept. 15, 2015, when it was approved (the vote was 5-0 on a motion seconded by Ranalli) that: "I am totally in favor of the PACE program, it helps property owners and the benefits are really great."

I have knowledge of the high-pressure tactics of the solar and related industries. On any given day, I received more than two phone calls a day from different telemarketers trying to sell solar. This has gone on for years now. I have developed a good technique for short circuiting such calls and understand solar is no panacea to energy, far from it. But that doesn't stop them from calling over and over again. Seniors might be lonelier and will accept attention from anyone, including high pressure sales people and therein lies the problem. And that problem is exemplified by the aforementioned litigation.

Our board did nothing to safeguard our seniors and other residents and should have known better as I am sure they are besieged by the same sales pressure telemarketers almost daily.

Placer County also has a PACE program, but at least that board had the foresight to put some safeguards in place. For any person acquiring a PACE financed solar or related energy system or improvement which has a cost less than \$60,000, it must be signed off by an official in the treasurer's/tax collector's office. If the system exceeds \$60,000, up to \$500,000, it must be signed off by a committee within the tax collector's office and if the system were to exceed half a million dollars, the entire Board of Supervisors have to approve it. This litigation would probably not be happening if such a minimal safeguard was in place here.

But better than the Placer system, not only could such a program be put in place where an impartial trained county official could analyze a PACE contract since the county becomes the free collector of the payment for such a program, but as to seniors, senior legal should be a requirement for signing off on any deals.

Combs, who pushed this program for approval without revealing the potential pitfalls, was the chairman of the Joint Powers Authority. This JPA makes a ton of money on this program. Can you say conflict of interest? PACE may have some good things, but it suffers by a lack of government oversight which is necessary as the government becomes the collector and could eventually foreclose on a customer's home with severe consequences. Is that what government should be doing, forcefully collecting debt for private businesses?

Larry Weitzman is a resident of Rescue.

Opinion: Trust in government not a great idea

By Joel Fox, Fox & Hounds

Reassurances to taxpayers about proper management of new revenue on the state and local level is too often ignored by politicians once the money is secured. Recent examples of attempts to spend money differently than promised are common—but it's an old story, as well.

The legislature passed the gas tax and vehicle license fee increase amid promises that the money would go to the much-needed repair of transportation infrastructure. Before the governor had a chance to sign the bill, Democratic politicians were proposing ways to spend the money that were far afield from the transportation goals such as repairing restrooms in state parks.

Part of the promises made on the use of the new gas tax money is that voters will have a chance to pass a constitutional amendment in an election next year to assure that the money will be spent for transportation purposes.

Read the whole story

Opinion: Marijuana needs a few good middlemen

By Eric Spitz

California's marijuana industry will soon begin its transition

from an illicit ecosystem fraught with guns, cash, and cartels into a regulated economic juggernaut.

The stakes of getting it right are high. Not only will the industry produce an expected \$1 billion in annual tax dollars for youth drug prevention, restoration of the environment, and enforcement against the black market, but legal marijuana will influence the state's economy, reshape the national market for marijuana, and likely determine when and how the rest of the United States adopts paths to legalization.

For all the drama inherent in bringing an industry out of the shadows, the success of the transition may depend on seemingly boring details: specifically, the technical business processes that could allow rapid progress toward an industry that looks and feels like a traditional consumer market.

And at the center of a progressive structure is distribution.

I've operated businesses in a variety of consumer industry sectors—including several years rebuilding a historical New England beer brand—and that gives me a deep appreciation for the significance of logistics and distribution. When building its nascent supply chain, California should prioritize the success of the distribution function in this regulated industry.

Modern distributors, regardless of industry, build the logistical and transportation infrastructure that their supply chain partners use to conduct commerce. By developing a sophisticated, modern logistics system, California can reduce waste, protect current industry operators, and hasten the industry's transition from its black market roots.

The distributor is a natural middleman. And, given the estimated 30,000 to 50,000 marijuana producers in California, plus an expected 10,000 eventual retailers, California's cannabis industry requires an organizing center with a group of operators tasked to monitor and police the system from the

inside.

Good distributors serve as built-in rule followers and can therefore be trusted to take on system functions—such as taxation and test-monitoring—in order to reduce the government’s expensive and significant oversight burden. Distributors will be even more important in this case, due to marijuana’s status as an illegal drug under federal law. As such, the cannabis industry lacks access to the U.S. banking system and remains dominated by cash transactions. As middlemen, cannabis distributors will be in a great position to create “chain of custody” systems, provide credit terms, and deliver the temporary financial lubrication that this industry so desperately needs.

Then there is security. A truck full of marijuana products is a multi-million-dollar asset that requires protection, whether it’s on the roads or parked at a warehouse. The bulk of the security responsibility rests with distributors, who will need to build sophisticated apparatuses to track and protect assets throughout the supply chain. You can bet that newly-displaced organized crime outfits and common criminals alike will try to pick off low-hanging fruit. In fact, the Central Valley has recently encountered a criminal enterprise stealing truckloads of nuts, a product that delivers a significantly smaller dollar payload than marijuana.

The best chance to successfully transition cannabis into a safe, regulated, and tax-paying economy will come if California designs its cannabis policy by borrowing frameworks and best practices from similar industries and then adjusting for elements that are unique.

The obvious analog is the alcohol industry, due to its own similar transition from an illicit economy after the repeal of prohibition in 1933 and its 84-year history of success since then. As a small beer operator I certainly had my frustrations with the system, but the big picture looks quite good: There’s

no tainted product, no mob control and no moonshining anymore. Alcohol also mirrors marijuana as a “sin product” that has age limitations, social stigma and public safety challenges.

As we approach 2018, when California will begin regulating the commercial sale of cannabis, much of the Sacramento sausage-making hinges on the issue of distribution. Nearly everyone agrees that there ought to be three distinctly licensed supply chain segments—production, distribution, and retail. But an intra-industry schism threatens the question of whether a distributor should also be allowed to hold additional license-types. That is, should the system allow operators to vertically integrate, or should it contain rules that limit certain business activities from co-ownership?

Many current industry operators support a hands-off approach that allows cultivators and manufacturers of cannabis to continue distributing their own products directly to retail stores. On the other side, a coalition including law enforcement, small growers and current distributors support the concept of “mandatory independent distribution.” In short, the coalition wants to prohibit those holding distribution licenses from owning businesses in other market segments simultaneously. (There would be an exception for small operators, who could hold end-to-end microbusiness licenses or something similar.)

In the fight over “mandatory independent distribution,” as with any good Sacramento battle, big labor has a dog on both sides. The Teamsters have long supported the distributors’ coalition, and the United Food and Commercial Workers have thrown in with the current industry big players. In short, the debate pits a strict rules-based design against one that lets the free market determine the industry’s outcome over time.

I launched a company last year with former California Attorney General Bill Lockyer that has participated in this debate, which will ultimately determine how the legal cannabis system

will work. We have spoken to multiple stakeholders, both inside and outside the industry, and we are very much in the rules-based design camp. A free market approach can be attractive, but it comes with a significant risk of non-compliance.

If distributors collect taxes and monitor testing compliance, then allowing them to be producers or retailers leaves the fox guarding the proverbial henhouse. Transitioning an industry whose operators have never existed inside a regulated environment will be challenging. Allowing companies to monitor themselves seems naïve.

By designing independent distribution into the system at the outset, the state of California will have a good chance of transitioning this complex industry successfully. Without it, failure points appear around every curve.

Eric Spitz is the CEO and founder of Golden Systems, a supply chain logistics company in the cannabis industry in California. He is the former chairman of the Orange County Register. He wrote this for Zocalo Public Square.