

It is a very sad thing when you look at the boundless potential of our State, the unmatched beauty, the incredible people and companies and culture. We have everything. Yet for too many Californians, it has become too difficult to get by in California or it is the crime or it is the homelessness. It is the inability to buy a house. It is the price of gas or electricity or water. It is the fact that our State leads the Nation in unemployment, in homelessness, in poverty, in illiteracy. These are all politically created problems.

The good news is there is a coalition for common sense emerging in California, and we have started to see progress in circumventing our State's political class and bringing real change. For example, we passed a measure in 2024, the voters did, to restore some consequences for criminal activity. It passed with almost 70 percent of the vote, despite the Governor and the State legislature's leaders opposing the measure every step of the way.

We won a decision at the Supreme Court that has restored the ability of our communities to clear homeless encampments and ensure people get into shelters and don't wither on our streets. As a result, we are starting to see some modest improvements in crime and homelessness in California, but unfortunately, we still have a long way to go in order to make sure that next year California does not, once again, for a seventh straight year lead the Nation in outbound U-Haul rentals.

#### WEALTH TAX IN CALIFORNIA

Mr. KILEY of California. Mr. Speaker, there is currently a proposed ballot measure in my State of California to impose the Nation's first-ever wealth tax. In response to this proposal, you are already seeing an exodus from California because, while the measure won't be presented until November and won't take effect until next year, the language of it ensnares anyone who was a resident of California until January 1 of this year. It would actually try to apply itself to former residents.

Now, California already has the highest income tax of any State in the country, the highest gas tax, the highest overall tax burden. However, a wealth tax is something unique because a wealth tax is not merely the taxation of earned income, it is the confiscation of assets.

They are saying it is just for billionaires. Of course, it starts with billionaires and then they continue to lower the threshold, ensnaring more and more people. Even for billionaires, presenting a 5 percent tax on all of your assets is problematic because, number one, it requires actually having liquid assets amounting to 5 percent of one's net worth, but number two, what you are already seeing happen is entrepreneurs and job creators are simply leaving the State to avoid this unique penalty.

Now, we already have the highest unemployment rate of any State in the

country in California, so it really doesn't help that now the State is causing even more job creators to leave the State. But what is especially threatening about this is that our State's tax structure is essentially a house of cards. Even the Governor acknowledged in his state of the State yesterday that we have a system that is incredibly volatile, where the top 1 percent of earners account for 50 percent of the tax revenue.

If you have this wealth tax that is suddenly going to cause the highest earners not to want to have anything to do with California, the State's finances will collapse. The entire house of cards will come tumbling down.

This is not to mention the myriad constitutional problems with this proposal, not the least of which is the idea that they are going to try to apply it to former residents.

It also isn't to mention the problems of administrability, which is why if you look to other countries that have tried to impose some form of a wealth tax, they have quickly rescinded the policy because it turned out to be a disaster.

I will be fighting against this latest, misguided, insane proposal in every way that I can and that includes using the legislative authority that we have here in Congress under clauses such as the Commerce Clause to prevent a renegade proposal like this from, at the very least, ensnaring taxpayers who have already gone to other States.

□ 1230

Mr. Speaker, California has for too long gone down the road of overtaxing its citizens, overregulating its businesses, and overburdening its citizens. This would simply be a bridge too far.

Mr. Speaker, I yield back the balance of my time.

#### ENROLLED BILL SIGNED

Kevin F. McCumber, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 224. An act to amend section 102(a)(20) of the Housing and Community Development Act of 1974 to require the exclusion of service-connected disability compensation when determining whether a person is a person of low and moderate income, a person of low income, or a person of moderate income, and for other purposes.

#### ADJOURNMENT

Mr. KILEY of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until Monday, January 12, 2026, at noon for morning-hour debate.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

EC-2618. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; Fireworks Display, Lower Mississippi River, Natchez, MS [Docket Number: USCG-2025-1062] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2619. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; Sandusky Bay, Sandusky, OH [Docket Number: USCG-2025-1039] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2620. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; La Quinta Channel, Ingleside, TX [Docket Number: USCG-2025-1123] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2621. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; Fireworks Display, Ohio River Mile Marker 73 to 74, Wellsburg, WV [Docket Number: USCG-2025-1099] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2622. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; West of Cyril E. King Airport, St. Thomas, VI [Docket Number: USCG-2025-1110] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2623. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's final rule — Security Zone; Coast Guard Base San Juan, San Juan Harbor, Puerto Rico [Docket Number: USCG-2025-0366] (RIN: 1625-AA87) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2624. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; Port of Los Angeles, Los Angeles, CA [Docket Number: USCG-2025-1066] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Transportation and Infrastructure.

EC-2625. A letter from the Administrative Assistant, U.S. Coast Guard, Department of Homeland Security, transmitting the Department's temporary final rule — Safety Zone; Patapsco River, Baltimore, MD [Docket Number: USCG-2025-1045] (RIN: 1625-AA00) received January 7, 2026, pursuant to 5 U.S.C.