



ALEX WROBLEWSKI AFP/Getty Images

THE NATIONAL Mall is crossed with fences for the Great American State Fair, blocking some sight lines.

## D.C.'s July 4 facelift raises some eyebrows

By Justine McDaniel

WASHINGTON — As America's 250th birthday arrives this weekend, President Trump's mark is clearly visible on Washington.

Visitors to the nation's capital are being met with cranes hanging over the White House and construction at the site of the demolished East Wing. Fences crisscrossing the National Mall to hem in the Great American State Fair have blocked the famed sight line from the U.S. Capitol to the Washington Monument to the Lincoln Memorial.

Some fountains newly sparkle as a result of Trump's renovations. National Guardsmen patrol the sidewalks. The partisan flavor of the Trump-aligned Freedom 250 organization's events is on display, and the fireworks show Saturday will feature a rally-style speech from Trump, with fireworks reportedly pushed back to 11 p.m.

The memorial's Reflecting Pool, where fireworks will be set off Saturday, was barricaded from the public earlier than usual after onlookers flocked last week to see the algae and peeling paint that followed Trump's renovation, and Trump accused vandals of tampering with it.

"You don't have a sense of 'land of the free' here," said Melissa McFarlane, 61, standing along the fencing on the Mall. She said she was born in Silver Spring, Md., and she grew up watching July Fourth fireworks on the Mall with her parents.

She recalled the nation's 200th anniversary celebrations as "open and inviting" but said this year's "heavy-duty fencing" and the presence of National Guardsmen made it feel different.

"It's majorly disorganized, which is weird for our [See Washington, A6]

## Gas firms accused of using AI to fix prices

Proposed class-action suit alleges companies in state are deploying algorithmic software.

By Audrey McGlinchy

A federal lawsuit alleging that gas companies in California are colluding to keep prices high through their use of AI-powered software will test the state's antitrust law at a time of growing concerns about the effects of technology on the high cost of living.

Filed on behalf of three drivers last week, the proposed class-action lawsuit accuses roughly a dozen companies and their subsidiaries — including Walmart and 7-Eleven — of using algorithmic software to fix prices. The company that provided the software, Kalibrate, is named as a defendant.

Kalibrate's program, according to the lawsuit, encourages gas stations to upload private price data. The company's AI-powered software, called Kalibrate Fuel Prices, then uses the data to recommend prices in real time, promising in its marketing materials to help gas companies "squeeze out profit."

The lawsuit touches on a growing conversation over how companies are using technology, including AI, to push prices higher.

In a highly publicized case in 2024, the federal government sued a company whose algorithmic pricing software was used by large landlords to share private rental data, recommend prices and drive apartment rents up.

Last year, reporters found that the grocery delivery company Instacart was running AI-enabled pricing experiments on customers. [See Gas, A11]



ALLEN J. SCHABEN Los Angeles Times

FIREWORKS are being replaced in California. Above, Huntington Beach in 2025.

## Culture wars take to the skies

### Eco-friendly drone shows derided as 'left-wing lunacy'

By Salvador Hernandez

John Morris was eager to mark the 250th anniversary of America with his annual fireworks show at Alamitos Bay.

Then, he discovered the California Coastal Commission would only approve a show using lighted drones, not real fireworks. He couldn't believe it.

"Of course it's going to be about fireworks," Morris

told the commission at a hearing last year. "So we're going to be the only ones in the country who can't do fireworks? Gotta be kidding me."

Morris tried to appeal the decision this year, but the board upheld its call. So, after 14 years, he canceled the Big Bang on the Bay celebration.

The event, which has drawn 1,300 people to Alamitos Bay and more than 100,000 to nearby beaches for a 20-minute extravaganza, is

the latest fireworks show to go dark, but it likely won't be the last.

Big fireworks shows are on the decline in California amid a variety of factors including increased regulations, litigation by environmental groups and public concern about pollution and wildfires.

The transition is underway at plenty of Californians' favorite spots.

In the last few years, Fourth of July shows at the [See Fireworks, A6]

## \$2-billion Trump income prompts ethics criticisms

President is flouting emoluments law and Congress is doing nothing, experts say.

By Jenny Jarvie

Ethics experts sounded the alarm Wednesday after new financial disclosure reports revealed that President Trump's income ballooned to \$2.2 billion in 2025, with \$1.4 billion coming from various new cryptocurrency-related businesses.

"It's bribery. It's graft. It's exploitation of public power for private financial gain," said Kathleen Clark, a law professor at Washington University and an expert in government ethics. "Trump has — with the acquiescence of a somnolent, GOP-controlled Congress and the active assistance of John Roberts' Supreme Court — transformed the presidency into a massive corruption racket."

Trump reported income of over \$600 million in 2024. But after he entered the White House in 2025, he reported that his income had

soared to more than \$2.2 billion.

The 2025 annual disclosure report filed with the Office of Government Ethics shows that Trump ramped up his real estate business in countries across the globe, particularly in the Middle East, at a time when his government was negotiating over vital issues of military aid and economic tariffs. The president also expanded his dealings in the relatively new realm of cryptocurrency.

According to the 927-page report, Trump made \$635 million in royalties from Celebration Coins and more than \$500 million from his World Liberty Financial crypto firm. He drew in millions from a raft of Trump-branded merchandise including God Bless the USA Bibles and sneakers depicting him with his hand raised in a fist. He also brought in \$10.4 million from a property in the United Arab Emirates and \$9 million from a property in Saudi Arabia.

Noah Bookbinder, an ethics expert and former president of Citizens for Responsibility and Ethics, a [See Ethics, A10]

## \$352-billion state budget explained

Surge in tax revenue propels Newsom's last spending plan. Some warn bump won't last.

By Taryn Luna

SACRAMENTO — Gov. Gavin Newsom on Monday signed his final state budget as governor, a \$351.7-billion spending plan that seeks to uplift the poorest Californians through a tax system reliant on the stock market gains of the wealthy.

In a video message, Newsom extolled free school meals, universal transitional kindergarten, 130,000 subsidized child-care slots and other accomplishments in his tenure at the state Capitol, a period in state history marked by a dramatic expansion of state government and more than \$100 billion in increased spending.

"Over the past eight years, we built great things for the people of California — some of the boldest actions any government in this country has taken in a generation," Newsom said. "And

we did this without breaking the bank. We did this by design."

The agreement ends weeks of lobbying by outside interests and negotiations among lawmakers and the governor at the Capitol about how to handle a surge of income tax collected on stock market gains related to artificial intelligence.

Economists have warned that the revenue bump is potentially temporary, and analysts say the growth in state spending could leave California in a challenging position if the economy declines.

Assemblymember David Tangipa (R-Fresno) agreed with Democrats that the budget is "compassionate." "My fear is that it's not too much of a competent budget, and the budget continues a pattern that Californians know all too well: Spend now, justify it later, and hope somebody else pays the bill," he said during a floor debate Monday.

Here's what you need to know about the spending plan, which took effect Wednesday, the start of the [See Budget, A7]



DAVID M. BARREDA Los Angeles Times

### SCREAM QUEEN

A fan shows her excitement before the U.S. team's World Cup game against Bosnia-Herzegovina at Levi's Stadium in Santa Clara. Go to [latimes.com/sports](https://latimes.com/sports) for full coverage.

### State's 'Glock ban' is targeted

Trump administration sues on the first day of a new law that bars convertible handguns. CALIFORNIA, B1

**Weather**  
Turning sunny.  
L.A. Basin: 78/60. B6

**Markets** ..... A11  
**Opinion Voices** ..... A12

### Downtown L.A. gets mega project

A \$2-billion real estate complex is poised to transform three city blocks. BUSINESS, A9

For the latest news, go to [latimes.com](https://latimes.com).



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## State schools chief stripped of most duties

Speedy legislative maneuver shifts powers of elected post to governor's office.

By Howard Blume

The just-approved state budget strips authority from the elected state superintendent of public instruction, transferring power in January to an appointee of the governor, dramatically

changing the oversight and management of a public school system serving more than 6 million students from preschool through 12th grade.

Gov. Gavin Newsom pushed the change through at the urging of academics and education reformers who have long criticized how the state's \$149-billion public education system is governed.

In essence, the change consolidates increased power within the governor's

office — streamlining and largely replacing a diffuse system in which the state superintendent has significant influence but no direct control over budget and policy.

Supporters hail the move as bringing accountability and coherence — through the governor — to all the departments and agencies involved in education.

"The approval of education governance reform, over a century in the making, is a monumental victory for California's students that

finally establishes a sensible system to best support them," said Ted Lempert, president of Children Now, an Oakland-based research and advocacy organization. "We commend Gov. Newsom for his leadership in making this much needed change a reality."

Critics called the change an unjustified, undemocratic sidestepping of the state Constitution and the will of voters.

"California's constitu- [See Schools, A7]