



CALIFORNIA
Senate Republican Caucus

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June 23, 2021

The Honorable Gavin Newsom
Governor of California
State Capitol, Suite 1173
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker, California State Assembly
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

The Honorable Toni Atkins
President pro Tempore, California Senate
State Capitol, Room 205
Sacramento, CA 95814

The Honorable Nancy Skinner
Chair, Senate Budget and Fiscal Review Committee
State Capitol, Room 5019
Sacramento, CA 95814

RE: Request for a Gasoline State Excise Tax Holiday

Dear Governor Newsom, President Pro Tempore Atkins, Speaker Rendon, and Chairs Ting & Skinner:

Californians are currently enduring the highest gas prices in the nation, averaging \$4.22 for a regular gallon of gasoline, over \$1.15 above the national average, according to AARP. While this legislature is currently deliberating whether to expand the Golden State Stimulus payments to more Californians, it is important to understand that any action intended to provide financial relief to Californians is undermined by the accompanying rise in gasoline excise taxes. The adverse impacts of high gas prices and taxes that we know disproportionately impacts our low to middle-income residents not only affects drivers, it increases the cost of living, including business costs and food prices, hampering our relief efforts and economic recovery.

On July 1, California's excise tax on a gallon of gasoline will rise to 51.1 cents. At a time when the state budget is enjoying historic surpluses, Californians' deserve a tax break, not higher taxes. The average family of four pays as much as \$800 in gas taxes a year and this increase is going to cost California drivers an additional \$83 million in the next year alone. Gas costs account for 14% of expenditures in the agricultural sector, and raising the gas tax would inherently raise the price of food, further resulting in not just a higher tax at the pump, but also increased costs at the checkout line.

A gas tax holiday, more specifically, a full moratorium on California's gasoline excise tax collection, backfilled with general fund dollars for the 2021-2022 Fiscal Year, would provide much needed relief for Californians. For years, Democratic legislative leadership has failed to prioritize infrastructure investments in its general fund spending, relying on bond funding or increasing taxes. It is time to give Californians a break from California's high cost of living and that includes the state's high taxes and gas prices.

For these reasons, we undersigned members of the California Senate Republican Caucus, call upon you to establish a gas tax holiday for Californians. Should you or your staff have any questions, you can reach me directly on my cell, or call my office at (916) 651-4021.

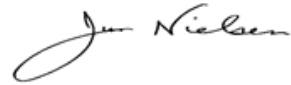
Sincerely,



Scott Wilk
21st Senate District



Brian Dahle
1st Senate District




Jim Nielsen
4th Senate District




Andreas Borgeas
8th Senate District



Shannon Grove
16th Senate District



Rosilicie Ochoa Bogh
23rd Senate District



Melissa Melendez
28th Senate District



Patricia Bates
36th Senate District



Brian Jones
38th Senate District

