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

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

Rosalicie Ochoa Bogh  
23rd Senate District

Melissa Melendez  
28th Senate District

Patricia Bates  
36th Senate District

Brian Jones  
38th Senate District