

Congress of the United States
Washington, DC 20515

June 30, 2023

The Honorable Gavin Newsom
Governor
State of California
1021 O Street, Suite 9000
Sacramento, California 95814

Dear Governor Newsom,

We express strong opposition to the proposed increase in California's state excise tax on gasoline, scheduled to take effect on July 1, 2023. This tax increase places an unnecessary burden on the people of California who are already grappling with the high cost of living in our state.

Last year, we urged you to consider a full and immediate suspension of the state gas tax, given the challenges faced by Californians who had to choose between filling their gas tanks and meeting their families' needs. Unfortunately, our concerns were not addressed, and the situation has since worsened. Californians continue to be confronted with exorbitant gasoline prices, ranking among the highest in the country, and the rapidly increasing cost of basic necessities, such as housing, food, energy, and transportation. On July 1, 2023, the gas tax will increase another 8 percent.

It is important to consider the potential repercussions of increasing the gas tax, including the population's desire to remain in the state. California recently experienced a significant shift in its representation in the House of Representatives, losing a seat for the first time in its history. This loss can be attributed to the substantial number of individuals who have chosen to leave the state in search of more affordable living conditions. Increasing the gas tax may worsen this trend, contributing to the exodus of taxpaying California residents.

While we were pleased that a partial diesel sales tax exemption was included in last year's budget, this exemption is unfortunately set to expire this September. This tax relief helped reduce commercial transportation costs and lower the price of consumer goods. The new budget that you have set forth does not extend this much-needed relief and we are concerned that this too will exacerbate the economic challenges facing California families.

With the cost of goods rising across the board and the price for a gallon of gas remaining among the highest in the nation, now is the time to pursue all avenues of relief for our families. We call

on you to immediately suspend increases to California's excise tax on gasoline and extend the partial diesel sales tax exemption.

Sincerely,



David G. Valadao
Member of Congress



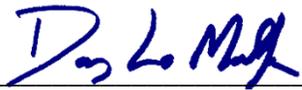
Kevin McCarthy
Speaker of the House



Kevin Kiley
Member of Congress



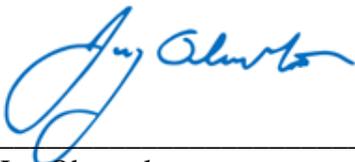
Young Kim
Member of Congress



Doug LaMalfa
Member of Congress



Tom McClintock
Member of Congress



Jay Obernolte
Member of Congress



Michelle Steel
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John Duarte
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