



February 10, 2017

State Senator Jim Beall
State Capitol Building, Rm. 5066
Sacramento, CA 94249

Re: Senate Bill 1 (Beall)

Dear Senator Beall,

This is to inform you that the Howard Jarvis Taxpayers Association **is opposed to your SB 1.**

Senate Bill 1 would impose a nearly \$4 billion regressive fuel and car tax on every single motorist in California. Motor vehicle fuel taxes would increase by 12 cents/gallon, phased in over three years. Diesel fuel excise taxes would increase by 20 cents/gallon. Annual vehicle registration fees would increase by \$38, and an additional, new \$100 vehicle registration fee would be imposed upon those with zero emission vehicles such as a Nissan Leaf.

If SB 1 were to be signed by Governor Brown, gas taxes including cap-and-trade will approach 70 cents/gallon, easily the highest in the nation. While there's no denying that California has a road maintenance funding backlog in the tens of billions of dollars over the next decade, voters have made it very clear how they desire to address this shortfall. A recent poll done by the California Chamber of Commerce showed that only 20 percent of voters believe additional funds are needed to address road maintenance issues, while 80 percent believe that current funds need to be managed better.

This begs the question, where are the common-sense reforms that the Legislature can undertake today to provide more funding for transportation? Where are the common-sense CEQA exemptions for some road maintenance projects as has been proposed for years now? Why isn't more cap-and-trade funding being diverted from high speed rail onto projects that motorists will actually use? Why does a billion dollars of fees against truckers not go for road repair? Why does only 20 percent of transportation General Fund money go for road repair? Billions of dollars of existing revenues could immediately be used to fix this backlog. Those options should be approved before any thought is given to increase taxes by record amounts.

Sincerely,

A handwritten signature in purple ink that reads 'David Wolfe' in a cursive script.

David Wolfe
Legislative Director