



CITY/COUNTY ASSOCIATION OF GOVERNMENTS
OF SAN MATEO COUNTY

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September 1, 2021

The Honorable Gavin Newsom
Governor, State of California
1303 10th Street, Suite 1173
Sacramento, CA 95814

Re: SB 339 (Wiener) – Gas Tax Alternative Pilot – SUPPORT REQUEST FOR SIGNATURE

Dear Governor Newsom:

On behalf of the City/County Association of Governments of San Mateo County (C/CAG), I am writing to reiterate C/CAG's SUPPORT for Senate Bill 339 (Wiener), the Gas Tax Alternative Pilot. This bill will extend the State's ability to pilot a road user charge system, allowing for a more robust understanding of how such a system would operate and the potential benefits from replacing the gas tax with a fee associated with road use. The bill takes another step forward by allowing the practitioners of the pilot to collect the fee associated with a road user charge to test collection methodology and study revenue streams.

Although the gas tax has been the long-term primary source of transportation infrastructure funding in California, the necessities for adjustment through SB 1 (Beall, 2017) showed inherent faults with our current system, particularly regarding the unintended consequences of the adoption of electric vehicles (EV). Looking forward, as gasoline consumption continues to plummet with broader adoption of EV, the gas tax will need significant alterations, or a new system for transportation funding must be adopted to ensure adequate funds for transportation infrastructure. Further, in its current state, the gas tax allows those with the financial means to escape the tax through the purchase of an EV. C/CAG supports the State's goal of transitioning away from combustion engines and related climate change mitigation strategies, which are further encouraged by your Executive Order banning the sale of new internal combustion engine vehicles by 2035. The potential effects on local funding from the shift in California's fleet, however, have yet to be fully reflected in our road funding, outside of small EV registration fees. C/CAG is also concerned with the additional unintended consequence of the outdated gas tax resulting in lower income communities bearing a disproportionate burden of transportation infrastructure funding as a direct result of not having access to the EV alternatives. A road user charge system helps correct for the inherent weaknesses of the gas tax by linking road funding with road use and miles traveled, rather than on gasoline consumption and vehicle fuel efficiency.

C/CAG strongly supports the gas tax alternative pilot program, and we respectfully request your signature on SB 339, as we look forward to continue working with your administration and the State Legislature to prepare for the eventual transition to a fully implemented road-based charge.

Sincerely,

Marie Chuang, Chair
City/County Association of Governments of San Mateo County