COUNTY OF SAN DIEGO BOARD OF SUPERVISORS TUESDAY, JUNE 03, 2025

MINUTE ORDER NO. 19

SUBJECT: STOP THE PROPOSED STATE GAS TAX INCREASE (DISTRICTS: ALL)

OVERVIEW

Residents across San Diego County continue to contend with significant increases in the cost of living, driven largely by rising utility rates and surging housing prices. Among these financial pressures, the cost of gasoline continues to stand out as a particularly burdensome and unavoidable expense for working families and businesses alike. California consistently reports some of the highest gasoline prices in the nation. As of early 2025, the statewide average remains substantially above the national average, due in large part to the state's fuel excise tax-currently set at 59.6 cents per gallon, the highest in the country. This tax imposes a disproportionate burden on middle- and lower-income residents, particularly in regions like San Diego County where public transportation options remain limited and private vehicle use is a necessity.

Despite these ongoing challenges, the State of California is scheduled to implement an additional increase of 1.1 cents per gallon to the gas tax, effective July 1, 2025. This would push the total tax burden on drivers to nearly 61 cents per gallon. In light of California's current economic climate, particularly for us here in San Diego, such an increase is both untimely and unfair.

Today's action proposes that the San Diego County Board of Supervisors formally request a suspension of the scheduled gas tax increase. Doing so would reflect the County's commitment to fiscal responsibility and the economic well-being of our residents, especially those in unincorporated areas who will be disproportionately affected.

RECOMMENDATION(S) SUPERVISOR JIM DESMOND

Direct the Chief Administrative Officer (CAO) to prepare and transmit a formal letter to the Governor of California and to the members of San Diego County's State Legislative Delegation, respectfully requesting the immediate suspension of the proposed July 2025 increase to the state gasoline excise tax.

EQUITY IMPACT STATEMENT

A significant portion of the population in the unincorporated areas depends on personal automobiles for daily transportation due to limited access to public transit. While efforts to accelerate the adoption of electric and low-emission vehicles are noble, such options remain financially out of reach for many households. As a result, continued increases in the gas tax disproportionately affect lower- and middle-income residents. Pausing the proposed tax increase would provide modest but meaningful relief to individuals and families already contending with elevated living expenses, while reinforcing the County's commitment to equitable policymaking.

SUSTAINABILITY IMPACT STATEMENT

The County of San Diego recognizes the importance of advancing long-term sustainability goals. However, these goals must be balanced with present-day economic realities. Ensuring that residents are not overburdened by essential transportation costs is fundamental to the County's broader vision for sustainable, livable communities. Advocacy to delay the gas tax increase aligns with the County's responsibility to support both environmental progress and economic resilience.

FISCAL IMPACT

There is no fiscal impact associated with today's recommendation. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT N/A

ACTION:

A motion was made by Supervisor Desmond, seconded by Supervisor Anderson, for the Board of Supervisors to take action as recommended.

AYES: Anderson, Desmond NOES: Montgomery Steppe ABSTAIN: Lawson-Remer ABSENT: (District 1 Seat Vacant)

(Motion failed due to lack of required affirmative votes.)

State of California) County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER Clerk of the Board of Supervisors

Ander Par

Signed by Andrew Potter

