

U.S. House of Representatives
Washington, DC 20515

June 26, 2026

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

Dear Governor Newsom,

We strongly oppose the impending increase to California's gasoline excise tax proposed by your administration set to take effect on July 1, 2026. Beginning next month, the tax will rise from 61.4 cents per gallon to 63.4 cents per gallon, meaning drivers will pay a combined total of 71.4 cents per gallon when factoring in the state sales and use tax rate. These taxes don't include the other mandated fees that cumulatively result in a staggering \$1.15-per-gallon surcharge on every gallon of gas sold in California. This increase will place further financial strain on hardworking Californians already struggling due to the state's high cost of living.

On July 1, 2025, the California Air Resources Board (CARB) implemented updates to the state's Low Carbon Fuel Standard (LCFS). CARB claimed these amendments would save Californians billions of dollars while strengthening zero-emission infrastructure, expanding cleaner fuel and transportation options, and helping the state achieve mandated climate goals. However, these regulations have directly contributed to rising fuel prices for both producers and consumers.

These concerns are compounded by the recent closure of several in-state refineries, placing additional pressure on California's already constrained transportation fuel supply. California should be working to lower energy costs rather than continuing to pursue policies that further undermine domestic energy production and increase reliance on imported fuel. Increasing the state's gasoline excise tax to 63.4 cents per gallon is irresponsible and will only make our state less affordable.

We have repeatedly urged your administration to suspend planned gas tax increases and pause new regulatory measures that raise energy costs for California families, workers, and businesses. To date, those requests have gone unanswered. According to AAA, the average price of gasoline in California is currently \$5.58 per gallon—the highest in the nation and \$1.65 above the national average. State and local taxes, along with regulatory programs such as the LCFS, Cap-and-Trade, and the State Underground Storage Tank Program, are significant contributors to these elevated costs, collectively adding approximately \$1.15 per gallon, or roughly 20 percent

of the total price. Given these already high costs, further increasing the excise tax would only place an unnecessary burden on consumers and businesses across the state.

Instead of further unaffordable increases to California's gasoline excise tax, we urge you to prioritize commonsense energy policies that will provide meaningful relief for all Californians.

Sincerely,



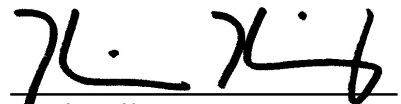
David G. Valadao
Member of Congress



Vince Fong
Member of Congress



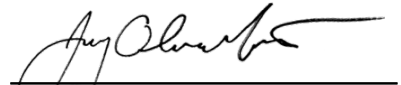
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