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Problem Solvers Caucus Proposes Bipartisan Legislation to Suspend Gas Tax, Provide Relief to Californians

(SACRAMENTO) – Today, the bipartisan, bicameral California Problem Solvers Caucus (CPSC) unveiled a new proposal to suspend the gas tax and provide financial relief to consumers.

"Democrats, Republicans, and Independents are all feeling the pain at the pump," said Assemblymember Adam Gray (D—Merced). "This is not a partisan problem. The Problem Solvers support taking immediate actions to lower gas prices while looking for long-term affordability solutions."

CPSC Co-Chairman Assemblymember Jordan Cunningham (R—San Luis Obispo) added, "The California Problem Solvers Caucus was created to work across party lines to solve issues that affect ordinary Californians. Gas prices remain at historic highs, and Californians are hurting."

The new proposal, which comes as other legislative efforts appear to have stalled, would fully suspend the 51.1 cent excise tax on each gallon of gas for 12 months, while backfilling funding for transportation projects using the state's multibillion-dollar General Fund surplus. Previous proposals were criticized for allowing oil companies to pocket the tax savings without guaranteeing lower gas prices for consumers.

Assemblymember Tom Lackey (R—Palmdale) stated, "We can move mountains and create meaningful solutions when legislators can put away our red and blue jerseys. Our constituents wondering if they will be able to feed their families or pump up gas could care less about politics as usual. It is time for Californians to get the relief they desperately need and work towards suspending the Gas Tax."

"Twitter soundbites are flashy, but the devil is in the details," continued Assemblymember Gray. "Fatal flaws stymied prior efforts because they failed to ensure this tax cut would reach drivers at the pump. It is important for consumers to see and feel this aid."

The Problem Solvers' plan explicitly requires retailers pass along 100 percent of the tax savings to reduce prices for consumers and provides mechanisms for enforcing its provisions.

"As elected officials, we have squabbled for too long while failing to bring real relief to Californians. All the while, gas prices continue to surge above historical averages," said **CPSC Co-Chairman Assemblymember Chad Mayes (Ind—Yucca Valley)**. "Everyone knows we need a solution, but partisan bickering prevents us from finding common ground. This is exactly why the Problem Solvers Caucus was formed. To incorporate reasonable ideas regardless of party ideology that will benefit the greatest number of people. Our legislation incorporates proposals from both parties to create a common sense solution to skyrocketing gas prices."

"The proposal we're announcing today will provide drivers relief at the pump now without sacrificing the quality of the roads they'll be driving on later," said **Assemblymember Tim Grayson** (**D**—**Concord**). "I'm proud to be part of an effort that brings together ideas from all political corners to provide immediate financial help to California families."

Economic uncertainty around the globe continues to affect us all at the pump," said Assemblymember Carlos Villapudua (D—Stockton). "It is hurting our businesses, local governments, and worst of all, our working families who are now struggling financially to drive kids to school, go to the grocery store, or even get to work. As leaders of this state, we need to take action to provide this much needed tax relief that will directly benefit our hurting families."

The Problem Solvers emphasized that they see the gas tax holiday as one of several steps in combatting historic inflation and the rising cost of living. They cited rebate checks, efforts to reduce congestion at the ports, and longer-term strategies to reduce gas prices as some of the other solutions they support.

Assemblymember Suzette Martinez Valladares (R—Santa Clarita) added, "Californians need immediate relief from the highest gas taxes in the nation. With coffers overflowing from the budget surplus, we must return tax dollars to hardworking Californians and backfill to provide for transportation projects from existing general fund resources. This gas tax holiday is a commonsense step towards addressing California's out-of-control cost of living, and will help working families who often have to choose between putting gas in their car, paying their rent, or buying groceries."

"High gas prices are crushing low and middle-income residents struggling to pay rent and buy food." Assemblymember Marie Waldron (R—Escondido) said. "The California Problem Solvers Caucus' Gas Tax Suspension Proposal will bring relief to hardworking Californians."

"These gas prices could not have come at a worse time for Californians, who are already reeling from a drought that – together with this cost increase – may cause a global food crisis," said **Senator Melissa Hurtado (D—Sanger)**. "Energy makes up 19 percent of the American food supply chain. Make no doubt the cost of food has increased and this has severely impacted the health of vulnerable communities who are already struggling. This proposal will provide Californians much needed relief, and we must act now."

"This bipartisan and common-sense proposal will reduce the price of gas immediately and ensure that each cent of savings is passed directly to the consumer," Cunningham added.

"There are several worthwhile options we need to consider, but when gas is nearly \$6/gallon we need an all-of-the-above approach," Gray said when closing. "Talk doesn't reduce prices, actions do. We are taking action to suspend the gas tax now and will continue to support other inflation busters as well."

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The California Problem Solvers Caucus is comprised of a bicameral group of Democrat, Republican, and Independent State Legislators, including Senators Melissa Hurtado and Josh Newman, and Assemblymembers Jordan Cunningham, Heath Flora, Adam Gray, Tim Grayson, Tom Lackey, Chad Mayes, Cottie Petrie-Norris, Suzette Valladares, Carlos Villapudua, and Marie Waldron. The Caucus was established in 2021 as a forum to develop and promote bipartisan solutions to the most pressing issues facing the State Legislature.