

U.S. House of Representatives
Washington, DC 20515

June 23, 2025

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

Dear Governor Newsom,

We strongly oppose two impending increases in gasoline costs proposed by your administration that are set to take effect on July 1, 2025—measures that could impose an additional \$0.68 per gallon on California drivers.

In November 2024, the unelected bureaucrats at the California Air Resources Board (CARB) approved updates to the State's Low Carbon Fuel Standard (LCFS), despite widespread concerns about affordability. Beginning July 1, 2025, this regulatory change is expected to increase gas prices by 65 cents per gallon. In addition, your administration has announced an increase to the state's gasoline excise tax, raising it to 61.2 cents per gallon—further compounding the financial strain on working families.

These developments come amid the closure of several in-state refineries, placing further pressure on California's already limited transportation fuel supply. Rather than addressing these supply challenges, the state's actions threaten to deepen the hardship faced by millions of Californians who are already struggling to meet their families' basic needs.

We have repeatedly urged your administration to suspend the gas tax and halt new regulatory measures that raise fuel prices. Yet, our calls have gone unanswered. As of this letter's date, AAA reports that the average price of gasoline in California stands at \$4.66 per gallon, \$1.44 above the national average and the highest in the country. If your administration proceeds with these increases, projections show gas prices could soar to \$8.43 per gallon by 2026. This is simply unsustainable for the constituents we represent.

We urge you to immediately suspend any further increases to California's gasoline excise tax and pause the implementation of CARB's LCFS updates. Californians need relief—not additional burdens.

Sincerely,

False. One proposal was enacted by the Legislature and approved by the voters in 2018. The other was independently approved by CARB.

Established by Republican Governor Schwarzenegger!

Created by Republican Ronald Reagan!

False. That figure combines one extreme projection of LCFS with the annual gas tax increase, and adds an unexplained extra cent. It's not accurate.

Most CARB board members are current or former elected officials, and all are appointed by elected officials and confirmed by an elected Senate.

False. Independent market experts shows the CURRENT LCFS pass through to California consumers is \$0.08 to \$0.10 per gallon of gasoline.

Announced closure — refineries are still operating and the administration is exploring meaningful ways to mitigate.

Suspending a voter-approved increase would be illegal. Unlike the Trump administration, we follow the law.

Concerns were directly addressed in CARB's proposal. The Board built in several mitigation measures to address any potential price impacts.

The 1.6 CENT increase on July 1 was enacted by the Legislature in 2017 and approved by voters in 2018 — before Governor Newsom even took office. It's part of the automatic inflation adjustment in Prop 6, which Californians overwhelmingly chose to protect by rejecting its repeal.

Now you're just making stuff up. Why not \$10 by 2026? \$12? Just because one crackpot "expert" says something does not make it true. This number has been thoroughly debunked by real experts who don't get paid by the Kingdom of Saudi Arabia.

As required by law.

We are addressing these challenges. See prior note.

LCFS is estimated to reduce fuel costs per mile by 42% - translating to savings of over \$20 billion in fuel expenditures every year by 2045.