

Cheaper gas or better roads? The battle over California's new gas tax

By Sharon McNary, www.scpr.org
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There's a battle on to win the hearts and minds of Californians.

On one side are state and local officials racing to fund road repairs with revenue from the new gas tax that took effect last fall. On the other are groups that want to put an initiative on the November ballot to repeal the gas tax.

It's a potholes versus pocketbooks debate likely to dominate the upcoming midterm election season.



Carl DeMaio assists the owner of a Mobil gas station near Interstate 5 in Encinitas as she changes the price sign. DeMaio, of Reform California, used the price-lowering events to draw in potential supporters of a petition to repeal the state's new gas tax.

This week, supporters delivered hundreds of thousands of petition signatures to county voter registrars throughout the state. About 204,000 were delivered to the San Diego County Registrar of Voters on Monday, and another 211,000 were delivered to the Los Angeles County registrar. Orange County's registrar received more than 82,000. The repeal advocates need 585,000 signatures to be validated by May 21 to get their measure onto the November general election ballot.

For repeal forces, it's been a long drawn-out cobbling together of signatures by paid collectors and also by volunteers swarming the pumps at several Southern California gas stations, where owners agreed to roll back prices to induce drivers to sign the repeal

petition.

"Alright, it's starting, we're turning down the numbers!," shouted Carl DeMaio to his legion of signature gatherers earlier this year. The owner of a gas station near I-5 in Encinitas removed \$3.35 price tag on the corner sign and replaced it with another.

"\$2.49!," DeMaio shouted. "You won't see this for a long time!"

DeMaio is a conservative talk show host at San Diego radio station KOGO who served on the San Diego City Council for a few years and ran unsuccessfully for mayor.

On this day DeMaio got two gas stations to drop their prices to draw in potential signers of a petition to repeal the gas tax. His group, Reform California, opposes the tax on the ground that it won't go to the road repairs that state legislators intended it to.

"They've diverted it to non-road projects like acquiring parkland or to pay for intercity light rail or to even take roads out of the equation by creating bike lanes," DeMaio said.



Judy Rees signals drivers into a Mobil gas station near I-5 in Encinitas to get them to sign a petition to repeal the state's new gas tax.

Volunteers hit up gas customers asking them to sign the repeal petition.

"It's a great price, about a dollar cheaper than anywhere else," said Yuwynn Ho. He's an Encinitas resident who listens to DeMaio's radio show and shares his distrust of government. He doesn't think the new tax will go to road repairs.

"I mean it never ever goes to the intended location that it's supposed to," Ho said.

Volunteer Nora Weber was happy to take his signature.

"Very few young people nowadays are informed, so you make me very happy," she told Ho. "Right here, honey, print your name the way you're registered to vote."

The fate of the gas tax may ultimately depend on whether voters trust the state government to spend it right.

The petition drive seeks to repeal SB1, which took effect in November. It added 12 cents per gallon for gasoline and 20 cents for diesel. It also increased vehicle registration fees.

Altogether CalTrans says new fees and taxes would add nearly \$54 billion dollars to the state budget for roads, bridges and transit projects over the next 10 years. About \$15 billion of the money is earmarked for "fix it first" projects that are meant to address the state's \$130 billion backlog of needed road repairs.

Gov. Jerry Brown made the gas tax a centerpiece of his state budget proposal and pledged to defend it from those who are trying to roll it back.

"The funds that SB1 makes available are absolutely necessary if we're going to maintain our roads and transit systems in good repair," he said in his State of the State address in January. "Fighting a gas tax may appear to be good politics, but it isn't."

Brown was talking about opponents of the gas tax, mostly Republicans, who underwrote the hundreds of thousands of dollars to get the repeal measure on the November ballot. It's seen as a sure-fire issue to bring conservative-leaning voters to the polls for a midterm election when voter turnout is historically lower.



Lynwood Mayor Jose Luis Salache on deteriorated Duncan Avenue whose repair is accelerated with money from SB1, California's new gas tax.

Cities and counties are on the front lines in this battle for trust because they get about half the new gas tax money.

For Lynwood Mayor Jose Luis Solache, the front line is Duncan Avenue. The pavement is chewed up from school buses and all the vehicles that use Duncan as a shortcut to the 710 Freeway.

"As we're standing here on the corner of Duncan and Beechwood, you can see how bad shape it is," Solache said.

Lynwood needs \$22 million dollars in road repairs. The new gas tax will cover nearly half that over the next decade.

When construction starts in October, Solache hopes it will be a visible reminder to voters ahead of the November election that the city is using the gas tax money for repairs that benefit them.

"Our streets need repairs, and we all deserve to have decent quality life in our communities," he said. If voters repeal the gas tax, Solache said future projects may not get done.

That argument could be lost on voters like Lynwood resident Ivan Gomez, 21, who lives with his mother and drives a hot sports car. To him, money matters more than bad roads.

"The roads here are not as bad as other places that I've seen, so I'd rather get those 12 cents off of the gas," Gomez said.

Local governments can't directly campaign against the repeals. But their political arm, the League of California Cities, recently dumped \$250,000 into the upcoming fight. The donation went to a committee that is a coalition of labor, transportation advocates and local governments aiming to fight the gas tax repeal.

And that's just for starters. Running a ballot measure campaign in California is expensive, said Michael Quigley, executive director of the California Alliance for Jobs, another labor-construction industry collaboration.

"It's about \$45 million dollars," he said. "I would anticipate we'll spend more than that."

The committee plans to defend the gas tax using money from those who most directly benefit from it - unionized labor, big construction companies, cities, counties and the trucking industry.

Much of the campaign chest will go to ads looking to build trust among California voters that their gas tax dollars are being spent right.

The pro-tax group has timing in its favor. In the June primary election, Californians will vote on Prop 69, a constitutional amendment to guarantee that all gas tax money and vehicle fees raised by SB1 get used for their intended purpose.

The barrage of messaging for Prop 69 -- coming from the same pro-gas-tax groups -- could help blunt the repealers' argument that gas tax money would be diverted.

Correction: An earlier version of this article misidentified Michael Quigley's affiliation. He is executive director of the California Alliance for Jobs.