



October 7, 2026

The Honorable Senator Brian W Jones

California State Senate

1021 O Street

Sacramento, CA 95814

RE: SUPPORT FOR SB-37

Dear Senator Jones:

On behalf of Chevron and the Western States Petroleum Association (WSPA), we respectfully write in strong support of SB-37. SB-47 would eliminate California's increasing fuel tax by eliminating the additional gasoline tax increases that have remained in place since 2017 and eliminating inflation-based adjustments. This action is a major move towards lowering fuel prices for Californians while improving accountability and openness in the state's fuel tax system.

Drivers in California continue to pay some of the highest gas prices in the country. According to the bill's findings, state-imposed taxes, fees, and regulatory programs can account for approximately \$1.20 per gallon of the price consumers pay at the pump. These costs place a burden on working families, commuters, small businesses, and industries that rely on affordable transportation fuels.

SB-37 would restore fairness by repealing the 12-cent-per-gallon fuel tax increase and eliminating the automatic annual Consumer Price Index adjustments that have steadily increased fuel taxes without direct legislative approval. Under the bill, future fuel tax changes would

require consideration through the traditional legislative process and approval by a two-thirds vote of the Legislature. This approach promotes transparency and ensures that Californians have a voice in future tax policy decisions.

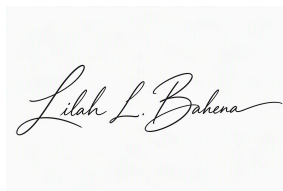
The economic benefits of SB-37 would extend throughout California's economy. Higher transportation costs are often passed through to consumers in the form of increased prices for food, household goods, and essential services. By reducing the tax burden on gasoline and diesel fuel, SB-37 would help lower operating costs for businesses and provide financial relief to households across the state.

Chevron and WSPA believe California can maintain its transportation infrastructure while promoting affordability, economic competitiveness, and consumer choice. SB-37 achieves these objectives by providing immediate relief from rising fuel taxes while preserving legislative oversight of future tax increases.

For these reasons, Chevron and the Western States Petroleum Association respectfully urge for the support of SB-37.

Thank you for your leadership and for your consideration of our position.

Sincerely,

A handwritten signature in cursive script that reads "Lilah L. Bahena". The signature is written in black ink on a light gray rectangular background.

Lilah Lara Bahena (She/Her) - Lobbyist

**Chevron/WSPA**