(R-84-182)

RESOLUTION NUMBER R- 259135 Adopted on AUG 2 2 1983

WHEREAS, in 1981, SB 215 (Foran) increased the State gas tax by two cents a gallon, effective January 1983; and

WHEREAS, by law, State imposed gas tax revenue can be spent only on street, highway and mass transit projects; and

WHEREAS, although cities and counties are sharing in one cent of the two cent increase, statewide there is still an estimated \$300 million annual shortfall in funding for local street and highway purposes; and

WHEREAS, SB 215 recognized those unmet needs and provided for a local-option gas tax requiring approval by two-thirds of the voters, the boards of supervisors, and a majority of the city councils representing a majority of the population in the incorporated areas; and

WHEREAS, in November 1982, a San Diego County ballot measure for a local two cent a gallon increase was defeated and, as a result, the City faces unfunded street and highway needs of an estimated \$64 million for the period 1983-88; and

WHEREAS, under the California Constitution, the State Legislature already has the power to authorize counties to impose a local gas tax without voter approval; however, the California Supreme Court has interpreted the "special tax" provision of Proposition 13 as requiring a two-thirds voter approval if the revenue is to be restricted by category of expenditure, such as streets and highways; and

WHEREAS, SCA 37 (Foran) proposes a constitutional amendment that would make it easier to levy a local-option gas tax spendable only on streets, highways, and mass transit by authorizing county boards of supervisors to levy a gas tax for transportation purposes without voter approval; however, proponents are concerned that the amendment's present language could be read as implying that the Legislature does not currently have power to delegate gas taxing authority to local legislative bodies and they do not want a possible defeat of the amendment to result in a diminution of the Legislature's existing authority; and

WHEREAS, the proponents are also concerned about the timing of the ballot proposition; and

WHEREAS, Senator Foran's office has stated that the amendment will be reworded to avoid these concerns and that it will be withdrawn or placed on the November 1984 ballot rather than appear with the Jarvis initiative and the League of California Cities is recommending support of the bill on those conditions; and

WHEREAS, on August 1, 1983, the Rules Committee discussed and considered the entire matter, as more specifically set forth in an IRD Report No. 83-55, approved the recommendations set forth therein, and now recommends adoption and support by the full Council; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that this Council, after discussion and deliberation, does hereby approve the recommendation of the Intergovernmental Relations Department concerning Local Gas Tax Revenue - SCA 37

(Foran) as set forth in IRD Report No. 83-55, dated July 27, 1983 and expresses its support for SCA 37 if it is amended to remove the concerns set forth in said report.

APPROVED: John W. Witt, City Attorney

Chief Deputy City Attorney

JK:smm 8/11/83 R-84-182 Or.Dept:Rules Form=r.none

Passed and adopted by the Council o by the following vote:	ed and adopted by the Council of The City of San Diego on e following vote:			AUG 2 2 1983		
Councilmen Bill Mitchell Bill Cleator Gloria McColl William Jones Ed Struiksma Mike Gotch Dick Murphy Uvaldo Martinez Mayor Roger Hedgecock]]]]		Nays	Not Present	Ineligible	
AUTHENT	ICATED BY:					
				OGER HEDGECOCK The City of San Diego, California.		
(Seal)		C	CHAR	LES G. ABDE		
		ву	June	a. Bla	chell , Deputy.	
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		Office of the City Clerk, San Diego, California				
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