

## *Steve Westly* *California State Controller*



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FOR IMMEDIATE RELEASE

### **STATE CONTROLLER WESTLY CLARIFIES VEHICLE LICENSE FEE ISSUE**

**Sacramento, February 7, 2003** – California State Controller Steve Westly today sent a letter to lawmakers confirming the position expressed by the Legislative Counsel in the digest of Assemblyman Herb Wesson's bill that the Controller does not have the unilateral authority to increase fees paid by car owners.

Controller Westly wrote:

*"Existing law does not specify the person or agency responsible for making the determination of whether there are sufficient moneys in the General Fund to reimburse local governments for losses resulting from the Vehicle License Fee offsets.*

*"Furthermore, the act of borrowing funds to sustain the State's cash flow would not result in such an increase of fees, just as it has not during the last several years.*

*"This is an important policy determination that will affect many Californians, and the tax should not be unilaterally raised without further clarification by the Legislature."*

The Controller's Office is required to make the monthly VLF payment to cities and counties unless legislation directed otherwise.

The next payment of \$368 million is scheduled for February 10, 2003. It includes \$257 million in the VLF offset or backfill amount.

The breakdown of payments to cities and counties can be viewed online at:  
<http://www.sco.ca.gov/ard/payments/mvlf/index.shtml>

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