

CITY OF AMADOR CITY

RESOLUTION NO. 365

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMADOR CITY
OPPOSING ANY REDUCTION IN THE VEHICLE IN LIEU FEES**

WHEREAS, the Vehicle License Fees have been collected by the State and allocated to cities and counties since 1935; and

WHEREAS, the highest rate for the Vehicle License Fee has been 2% of purchase price, thereafter diminishing, since 1947; and

WHEREAS, in response to State take-backs of Vehicle License Fees in the 1980's the people of California, in 1986, passed Proposition 47, which guarantees the distribution (though not the amount) of Vehicle License Fees to cities ;and counties; and

WHEREAS, Vehicle License Fees have become more important to cities and counties since State take-backs of property taxes in the early 1990's; and

WHEREAS, cities and counties remain vulnerable to the loss of non-guaranteed funding; and

WHEREAS, an amendment to the State Constitution would be required to make any replacement of Vehicle License Fees equally secure as a funding source; and

WHEREAS, any such amendment would need to be placed on the ballot either by the State Legislature or through the Initiative process; and

WHEREAS, the State Legislature is unlikely to place such a measure on the ballot since this would constitute a potential loss of general fund revenues and would therefore be opposed by such groups as teachers' organizations, K-14 education, the California State University and University of California systems, and employees of the State Department of Corrections; and

WHEREAS, no credible attempt to qualify such measure for the ballot by petition is foreseeable; and

WHEREAS, even if such an amendment were to be placed on the ballot, it would face opposition in an election from the same groups that would oppose its appearance on the ballot; and

WHEREAS, a Governor in his last year of office, and whose Party does not control either House of the State Legislature, cannot guarantee future replacement of lost Vehicle License Fees; and

WHEREAS, in the absence of a guarantee in the State Constitution, which for the aforesaid reasons is extremely unlikely, reliance on the institutional memory of politicians in Sacramento is delusional; and

WHEREAS, Vehicle License Fees in California are not excessive (cf. California's top rate of 2% as opposed to the former top rate of 4.5% in Virginia) and are Constitutionally guaranteed to cities and counties.

NOW, THEREFORE, BE IT RESOLVED THAT, the City Council of the City of Amador City opposes any reduction in the Vehicle License Fees, since any such reduction would reduce the total amount of funding available to meet the needs of California's citizens at the local and/or State level, and would further jeopardize the fiscal stability of cities and counties.

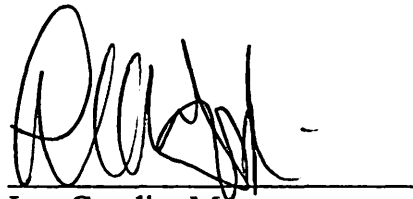
The foregoing resolution was duly passed and adopted at a regular meeting of the City Council of the City of Amador City on the 16th day of July, 1998 by the following vote:

AYES: 5, Shaw, Luxemberg, Goodin, Bragstad, McKune

NOES: 0

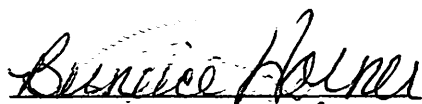
ABSTAIN: 0

ABSENT: 0



Lee Goodin, Mayor

ATTEST:



Bernice Horner, City Clerk