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## Legislature Continues to Spend Illegal “Hidden Tax” Money

(SACRAMENTO)— The California Legislature, in the waning hours of its sessions today, will vote on spending approximately \$900 million in illegally collected cap-and-trade hidden tax revenue.

“The Legislature has once again ignored ongoing legal discussions at the California Court of Appeal and cautions from the nonpartisan Legislative Analyst and instead is planning to allocate nearly \$1 billion of cap-and-trade auction revenue,” said Beth Miller, spokesperson for Californians Against Higher Taxes. “The revenue collected from the cap-and-trade auction, which clever bureaucrats have instead dubbed ‘revenue incidental to regulation,’ is an illegal tax that costs consumers more than \$1 billion each year. We strongly oppose the Legislature spending this illegal revenue, especially while the issue is still being litigated in court.”

AB 32, which authorized the cap-and-trade program, was passed in 2006 with a simple majority vote, not the 2/3 requirement needed to pass a tax increase. That has not stopped the California Air Resources Board from collecting billions of dollars from consumers through the hidden taxes in the cap-and-trade auction program.