

RESOLUTION IN FAVOR OF THE INITIATIVE DRIVE TO TAX THE OIL COMPANIES

- Whereas, The most recent oil profits reports indicate an average profit increase of 60.3% for oil companies for the first half of 1979, and
- Whereas, California has a critical need for public transportation and development of alternative (non-fossil) fuels, and
- Whereas, Gas costs at the pump have been raising an average of one cent a week, and
- Whereas, Major oil companies have been investing much of these profits into business activities totally unrelated to exploration and production of energy, i.e. Mobil bought Montgomery Wards and Mei Foo Sun Chuen (a Hong Kong condominium development) and Arco oil bought "The London Observer" and Anaconda Copper, etc., and
- Whereas, A statewide petition drive exists to place a 10% surtax on the profits of oil companies to be earmarked for mass transit, and
- Whereas, As full 50% of the funds to be collected (estimated to be about \$200 million) will be returned to each county on the basis of population for development or improvement of bus services, and
- Whereas, The other 50% of these funds will be allocated by the State Legislature for specific projects, including commuter and urban rail, intercity rail, and research and development of alternative (non-fossil) fuels, and
- Whereas, This surtax will qualify as an income tax and thus the costs cannot be passed onto the consumer,
- Be It Resolved, That the members of the Chico State Associated Students Board of Directors join with the League of Women Voters, the Friends of the Earth, the Sierra Club, the California Tax Reform Association and the State AFL-CIO in support of this initiative, and
- Be It Further Resolved,
- That the members of the CSUC Associated Students Board of Directors urge both the qualification and the passage of this initiative drive to tax excess profits for mass transit.

Approved:
BOD 10/2/79

For Info: Marianne O'Malley

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