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25c (plus tax)

Council may try to boost tax on oil

L.B.: Increase in oil-drilling tax may join proposed City Charter changes on May 1 ballot.

By Kristopher Hanson
Staff writer

LONG BEACH — City Council members have called a special meeting Tuesday to consider eight ballot measures for a May 1 election, including a tax on oil drilling to help fund the police and fire departments.

The ballot measures consist of seven changes to the City Charter and an eighth measure that would add 25 cents of tax to each barrel of oil pumped in Long Beach.

The oil measure, known as Proposition H, would raise the production fee from 15 cents to 40 cents on each of the estimated 40,000 barrels extracted from the city every day.

Long Beach sits atop one of California's largest oil fields, but it has one of the lowest per-barrel fees in the state. Most of the local production takes place in the city's harbor and port.

To pass, the measure would require the approval of two-thirds of voters, said City Attorney Bob Shannon.

Proposition H, also known as the Police and

Fire Public Safety Oil Production Act, would dedicate the 25-cent increase solely to police officers and firefighters and related equipment, facilities and training, Shannon said.

The measure also requires an annual independent audit of how the money is being spent.

With the increase, the city's annual revenues from oil production taxes could be as much as \$3.8 million, according to City Auditor Laura Doud, who introduced the measure.

In addition to the current per-barrel fee of 15 cents, the city collects royalties, pipeline fees and various other revenue-sharing agreements.

The tax hike would be subject to annual increases based on inflation levels set by the Consumer Price Index for the Los Angeles area, Shannon said.

Other measures proposed for the May 1 ballot deal with changes in council members' term limits and salaries, mayoral veto power and city commissions. They require only a simple majority approval by voters.

In addition, the ballot includes candidates running for the 6th District City Council seat vacated last year by now-Assemblywoman Laura Richardson, D-Long Beach.

Council members are holding the Tuesday meeting because the proposed charter changes need to be approved for the May

ballot no later than Feb. 2.

Proposition A gives the mayor more power to veto council-approved ordinances, while providing council members with additional muscle to remove certain city officials and commissioners.

Proposition B establishes a Council Salary Commission, Ethics Commission and Redistricting Commission, while Proposition C extends council members' maximum terms in office from two to three years, among other things.

Tuesday's meeting begins at 5 p.m. at City Hall, 333 W. Ocean Blvd.

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