



## CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE • BEVERLY HILLS, CALIFORNIA 90210

**Lili Bosse, Mayor**

March 27, 2023

The Honorable Gavin Newsom  
1021 O Street, Suite 9000  
Sacramento, CA 95814

Re: SBX1-2 (Skinner) – Energy: transportation fuels: supply and pricing: maximum gross gasoline refining margin  
**City of Beverly Hills – REQUEST FOR SIGNATURE**

Dear Governor Newsom:

On behalf of the City of Beverly Hills, I am **REQUESTING YOUR SIGNATURE** on **SBX1-2**, which would make it unlawful for oil refiner companies to charge excessive profits and would be punishable by a civil penalty from the California Energy Commission (“CEC”). Any penalties collected by the CEC would go to a Price Gouging Penalty Fund and then given back to Californians.

Gasoline prices in California have been a topic of concern for many years, especially as gas prices reached a high of \$6.42 per gallon last fall, a record \$2.61 more per gallon than the national average. This price gouging is of great concern to Beverly Hills, as these prices directly impact the livelihoods of our residents and the overall economy of our City. Unfortunately, the current market structure allows refineries to charge excessively high prices for gasoline, often without justification or transparency.

Senate Bill X1-2 would help address this issue by regulating the maximum gross gasoline refining margin, which is the difference between the price refineries pay for crude oil and the price they charge for gasoline. This will prevent refineries from charging excessive prices for gasoline and ensure that prices are more fairly aligned with the cost of production.

Additionally, Senate Bill X1-2 improves transparency and oversight of the oil industry by the state, expanding the CEC and the California Department of Tax and Fee Administration’s ability to investigate and obtain information on costs, profits and pricing so the state can better address the causes of pricing irregularities and minimize the likelihood of future supply or price shocks.

The City of Beverly Hills recognizes the importance of a competitive and fair market, and we believe that Senate Bill X1-2 will help achieve that goal. This bill will benefit our residents and the state as a whole by promoting transparency and accountability in the

fuel industry. For these reasons, the City of Beverly Hills strongly **REQUESTS YOUR SIGNATURE** on **SBX1-2**.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Lili Bosse".

Lili Bosse  
Mayor, City of Beverly Hills

CC: The Honorable Ben Allen, Senator 24<sup>th</sup> District  
The Honorable Rick Zbur, Assemblymember, 51<sup>st</sup> District  
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange