



January 27, 2012

The Honorable Jerome Horton
Chairman
Board of Equalization
450 N Street, MIC:72
Sacramento, CA 95814

Re: ***Western States Petroleum Association v. State Board of Equalization***

Dear Chairman Horton,

On January 19, 2012, the second appellate court invalidated State Board of Equalization's Rule 474 because it is inconsistent with R&TC §51(d) (***Western States Petroleum Association v. State Board of Equalization*** (January 19, 2012) Court of Appeal, Second Appellate District Case No. B225932). The appellate court also concluded that the Board's economic impact statement for Rule 474 was inadequate under the Administrative Procedures Act, specifically Government Code §11346.3(a).

As a result of this carefully drafted and well founded opinion, I urge the board to not file a petition to the California Supreme Court, a topic of discussion at the Board's January 31, 2012 closed session meeting. Filing a petition to the California Supreme Court would be a waste of taxpayer dollars and precious state resources.

Thank you for your consideration.

Sincerely,

President
Teresa Casazza