

Chairman Jerome E. Horton**4th District – Los Angeles**

For Immediate Release
May 25, 2012**NR 48-12-H**
Contact: Jaime Garza
916-327-8988**Gasoline Consumption Increases First Time in a Year as Prices Spike**
Gasoline Consumption Up 2.1%; Prices Jumped 12.6%

Sacramento – For the first time in a year, gasoline consumption rose—2.1 percent—despite a hefty 12.6 percent increase in California gasoline prices, according to a report released today by Chairman Jerome E. Horton of the California State Board of Equalization (BOE). Gasoline prices jumped 12.6% to an average of \$4.03 a gallon in February 2012, while consumption increased 2.1% compared to a year ago.

“Californians used more gasoline,” said Horton. “This could be a sign that economic activity is picking up and California's economy is improving. In fact, in addition to the gasoline indicators, non-agricultural and manufacturing employment has increased over the same period last year and the unemployment rate is decreasing, as well as the average number of weeks of claimed unemployment benefits.”

In California, diesel fuel prices were up 11.8% to \$4.25 as consumption increased 4.3% in February from a year earlier. Diesel consumption often reflects the pace of economic activity such as imports and exports through California ports, supply and demand conditions in residential and nonresidential construction, and agriculture.

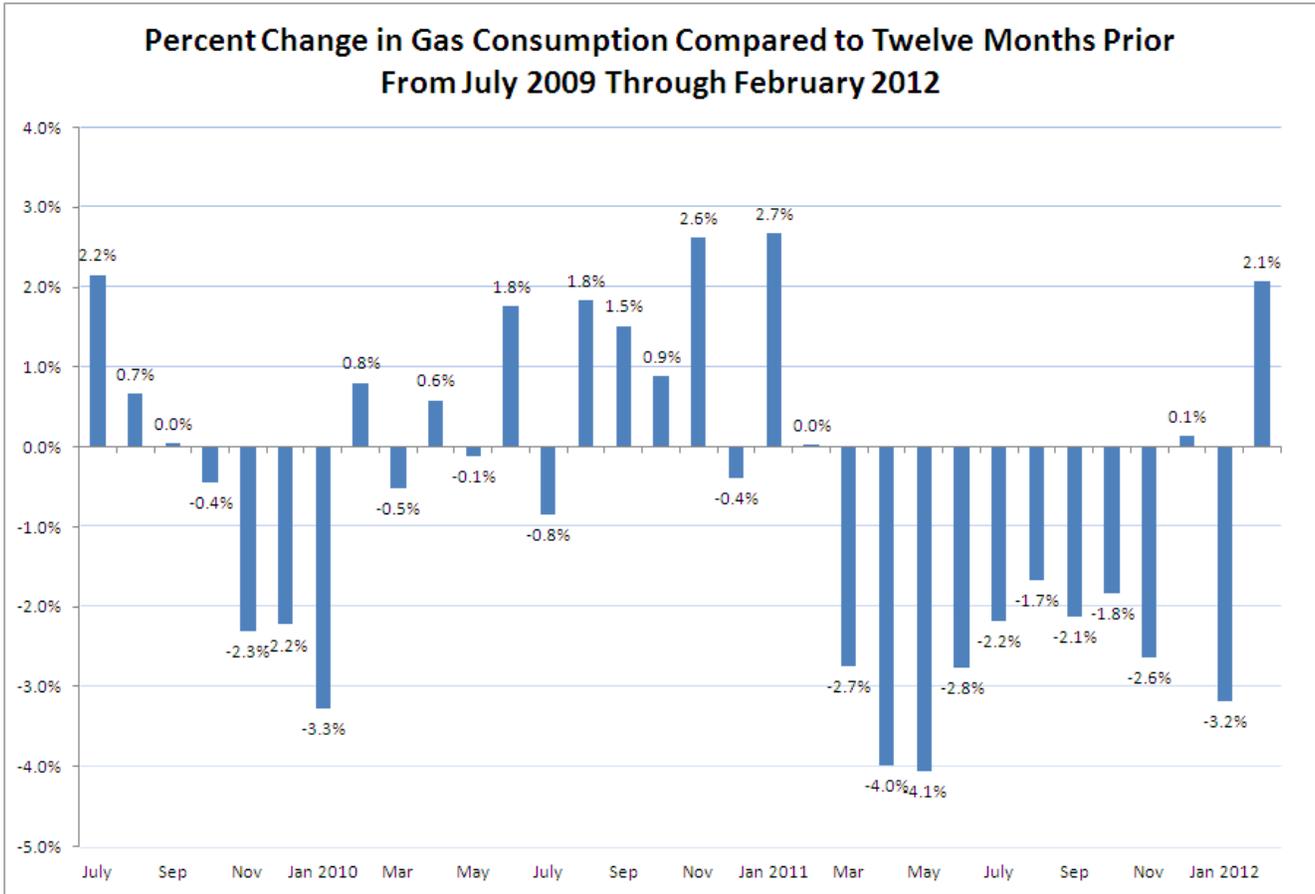
Gasoline and diesel fuel prices in California were higher than the nation as a whole. Nationally, the U.S. [Energy Information Administration](#) (EIA) reports that the average price of a gallon of gasoline was up 11.7% to \$3.64 in February from a year ago. The [EIA](#) also reported that the national average price of a gallon of diesel was up 10.3% to \$3.95 in February from a year earlier.

The high price of gasoline was a primary factor in the rise in consumer prices. The [U.S. Bureau of Labor Statistics](#) reported in February 2012 that its consumer price index rose 2.9% in February 2012 from a year earlier.

Consistent with using more gasoline, the [Federal Highway Administration](#) data show a 1.0% increase in vehicle miles traveled by Californians in February 2012 from a year earlier.

BOE monitors gasoline consumption using tax receipts paid by fuel distributors in California. BOE updates the fuel reports at the end of each month.

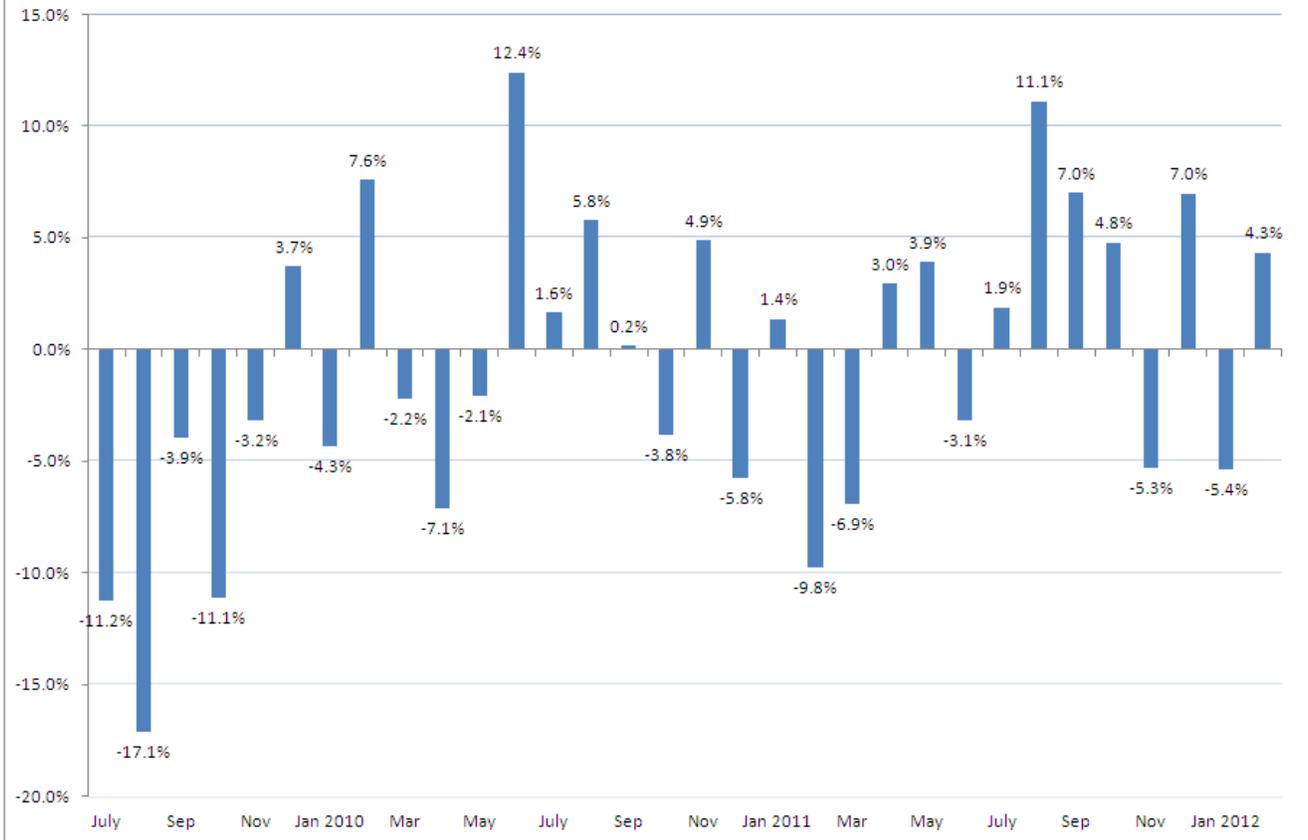
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Percent Change in Diesel Gallons Compared to Twelve Months Prior From July 2009 Through February 2012



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Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization Legislative Committee’s Chairman. He is the first to serve on the Board of Equalization with over 21 years of experience at the BOE. Horton previously served as an Assembly Member of the California State Assembly from 2000-2006.

The five-member California State Board of Equalization is a publicly elected tax board. The Board of Equalization collects more than \$50 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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