

VETO MESSAGE ON SB 5272

May 15, 2007

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning, without my approval as to Section 7, Senate Bill 5272 entitled:

"AN ACT Relating to the administration of fuel taxes."

This bill eliminates current statutory language from state motor vehicle and special fuel tax statutes declaring that motor vehicle and special fuel taxes are imposed on the end user. It also authorizes the Governor, or the gubernatorial designee, to enter into fuel tax compact agreements with federally recognized tribes operating or licensing retail stations on reservations or trust lands.

Section 7 of the bill limits the handling loss for fuel to licensed suppliers and licensed importers. Without Section 7, fuel distributors retain the handling loss that had been available to them prior to the passage of this legislation. The handling loss allowance is provided as an offset for evaporation and shrinkage that occurs in the transfer of fuel from the terminal racks to fuel tank trucks.

For these reasons, I have vetoed Section 7 of Senate Bill 5272.

With the exception of Section 7, Senate Bill 5272 is approved.

Respectfully submitted,
Christine O. Gregoire
Governor