May 20, 2019

Governor Jay Inslee
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Governor Inslee,

The purpose of this letter is to respectfully request that you veto a portion of ESSB 5997.

We believe that the conversion of the non-resident sales tax exemption to a remittance program for residents of just five states (Oregon, Alaska, Montana as well as Delaware and New Hampshire) will cost significant amounts of business for retailers near the Oregon and Idaho borders. Because the bill’s conversion of the exemption to a remittance program allows only one claim to be made per year, we believe retailers will see significant drops in customers – especially along the Oregon border where retailers report 30-40% of their customers are Oregon residents.

Areas like Longview/Kelso have lost significant retailers in recent years — retailers such as Sears and Macy’s. With the change to a remittance program, we are concerned that non-resident shoppers will switch to shopping in Oregon – jeopardizing retailers’ ability to keep their doors open for Washington residents.

Forcing non-resident and resident shoppers to travel greater distances to shopping is counter to your goals of reducing greenhouse gas emissions in the transportation sector and jeopardizes jobs and tax revenue to our state and local municipalities.

We are further concerned that the change to a remittance program will have negative effects on our relationships with legislators in Oregon – at a time when we need to bring Oregon and Washington legislators together to agree upon a replacement span across the Columbia River and future additional crossings. Angering those legislators by angering their constituents will harm our ability to create a cooperative atmosphere needed to resolve this important transportation issue.

Though we are concerned that a deferred findings program and subsequent changes in out-of-state vehicle registration and driver’s licensing will lead some Washington residents to switch to shopping in Oregon, we believe this program is an approach that creates fairness and gets more residents who use services in our state and local communities to pay for roads and other services in our state and local communities.

For these reasons, we respectfully request that you veto the portion of the bill that converts the non-resident sales tax exemption into a remittance program while still maintaining the deferred findings program language.
Thank you for your assistance in protecting jobs in Washington.

Sincerely,

Ed Orcutt  
State Representative  
20th District

Senator Jim Honeyford  
State Senator  
15th District

Chris Corry  
State Representative  
14th District

Brandon Vick  
State Representative  
18th District

Senator Lynda Wilson  
State Senator  
17th District

Brian Blake  
State Representative  
19th District

Jim Walsh  
State Representative  
19th District

Dean Takko  
State Senator  
19th District

Andrew Barkis  
State Representative  
2nd District

Mark Schoesler  
State Senator  
9th District

Sharon Brown  
State Senator  
8th District

Mike Padden  
State Senator  
4th District

Chris Gildon  
State Representative  
25th District

John Braun  
State Senator  
20th District

Shelly Short  
State Senator  
7th District

Joe Schmick  
State Representative  
9th District

Doug Ericksen  
State Senator  
42nd District

Larry Hoff  
State Representative  
18th District

Annette Cleveland  
State Senator  
49th District

Norma Smith  
State Representative  
10th District

Senator Ann Rivers  
State Senator  
18th District