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GOVERNOR ANNOUNCES FREEZE FOR ONE-YEAR ON VARIABLE GASOLINE TAX

OMEGA was on hand today when Governor Joe Manchin along with Senate President Earl Ray Tomblin and Speaker Bob Kiss announced that they would be putting a freeze on the variable fuel tax rate. For the next year, beginning January 1, 2006, it will stay at 6.50 cents per gallon making West Virginia's total tax 27 cents per gallon. (The Administration currently believes that this can be done by Executive Order but if that is not the case it will be down in a Special Session later in the year.)

The Governor stated that the tax is a small portion of the price. He has sent a letter to President Bush stating that he would support a bill that will soon be introduced in the United States Senate that would "re-institute a law that expired in 1981 giving the President specific temporary authorities to deal with oil and gas shortages and gas pricing impacts on the U. S. economy. The bill in question would grant the President the ability to prevent price gouging, require full disclosure of wholesale gas pricing policies, ban zone pricing and institute price controls." The Governor further stated in his letter that, "As a nation, we must work quickly to break the hold that large oil producers currently have on our economy and our citizens' pocketbooks. We therefore strongly urge you to not only support this bill, but to use its powers to the fullest to ensure that our people are not being taken advantage of and our country is secure in its energy supply and production."

During the press conference the Governor stated "that Since January 2002, the top 10 major public oil companies have sold some \$1.5 trillion worth of crude, pocketing profits of more than \$125 billion." He also stated profits for the major oil companies.

If you have questions during the special session or would like to voice your opinion on issues, please feel free to contact the association office at jan@omegawv.com or call (304) 343-5500. If you would like to obtain copies of any bills, you can do so at <http://www.legis.state.wv.us/> or by contacting the association office.