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**VICTORY FOR PETROLEUM MARKETERS*****FMCSA Withdrew New Safety Fitness Determination Proposal***

As of yesterday, March 23, the FMCSA withdrew its January 21, 2016 notice of proposed rulemaking (NPRM), which proposed a revised methodology for issuance of a safety fitness determination (SFD) for motor carriers.

In February, PMAA joined other industries in [asking](#) DOT Secretary Chao to rescind the Safety Fitness Determination NPRM until FMCSA completes reforms to the Compliance, Safety and Accountability (CSA) program/Safety Measurement System (SMS).

Last year, the FMCSA issued a Notice of Proposed Rulemaking: "Carrier Safety Fitness Determination." The current safety fitness rating system ranks carriers as Satisfactory, Conditional or Unsatisfactory based on a comprehensive safety compliance review. The proposal would have radically modified the Safety Fitness rating system in which carriers are evaluated for both the enforcement community and the general public. The new methodology would have been based on on-road safety data using five of the Agency's seven Behavior Analysis and Safety Improvement Categories (BASICs); an investigation, which would consider all seven BASICs, or a combination of on-road safety data and investigation information. The proposed system would have removed all the existing ratings and create only one rating, "Unfit."

PMAA's primary concern with the proposal is that the methodology would have utilized flawed CSA/SMS data and scores, which Congress directed the agency to review and reform in the Fixing America's Surface Transportation Systems Act (FAST Act) enacted in December of 2015.

While we support the goal of an easily understandable, rational safety fitness determination system, the new proposal was built on a flawed foundation. FMCSA must complete reforms to the CSA/SMS system before proceeding to a new method of evaluating safety fitness of carriers.

After reviewing the record, FMCSA has withdrawn the NPRM and canceled other plans to develop a Supplemental Notice of Proposed Rulemaking. The Agency must receive the Correlation Study from the National Academies of Science, as required by the FAST Act and assess what corrective actions are advisable, and complete additional analysis before determining whether further rulemaking action is necessary to revise the safety fitness determination process.

**KEYSTONE XL PIPELINE FINALLY GREEN LIGHTED*****Oil to Start Moving Through Dakota Access Pipeline at Any Moment***

Today, the Trump Administration approved the Keystone XL Pipeline which finally will allow construction of the pipeline to move forward. The 1,200-mile pipeline would ship crude oil from Canada to refineries along the Gulf Coast. PMAA strongly supported development of the KXL Pipeline which has already had more than eight years of debate and multiple environmental impact studies that have shown the pipeline would have no effect on climate change. Even former Obama Administration EPA Chief Gina McCarthy said that the pipeline, if approved, would not be a disaster for the climate as some environmentalists have argued.

Meanwhile, at any moment, oil could start moving through the Dakota Access Pipeline, which would bring crude oil through the Midwest and into the U.S. Gulf Coast. Last month, the Army Corps of Engineers announced that it had completed the review of the Dakota Access Pipeline oil project that had triggered months of protests from Native American tribes and environmentalists. Oil entering the pipeline will be a significant milestone in the saga surrounding Dakota Access, a 1,172-mile project stretching from North Dakota to Illinois with a daily capacity of 570,000 barrels of oil.

The approvals of the Dakota Access Pipeline and the Keystone XL Pipeline are indicative of how the new Administration will take a much needed and drastically different approach to energy issues.

**SENATE HELP COMMITTEE HOLDS HEARING ON TRUMP'S LABOR NOMINEE**

This week, President Trump's Secretary of Labor nominee Alexander Acosta testified before the Senate Health, Education, Labor and Pensions (HELP) Committee. Senate Democrats grilled Acosta on numerous Department of Labor (DOL) regulations including the final overtime rule which was blocked by a Texas federal judge just days before it was to go into effect on December 1, 2016. The Obama Administration did appeal Judge Mazzant's order, but it is unlikely that the Trump Administration will continue the appeal.

Acosta noted that the overtime rule has not been updated since 2004, and many in the room seemed to believe that the

DOL would rescind the final Labor Department rule and issue a new rule that would gradually increase the salary threshold. Acosta stated that the DOL overtime final rule, which would have raised the salary threshold for receiving mandatory overtime from \$23,660 to \$47,476 a year, went well beyond a cost of living adjustment. Acosta later suggested an inflation adjusted threshold of \$33,000.

PMAA will continue to monitor the latest with the overtime rule.

### **REGULATORY REFORM CALLING ON TRANSPARENCY IN SCIENCE**

Recently, the House Science Committee passed H.R. 1430, the “Honest and Open New EPA Science Treatment Act of 2017” (HONEST Act).

The HONEST Act would require the EPA to make all data for regulatory actions public (with exceptions for personal data, trade secrets and financial information). H.R. 1431 would tackle the EPA Science Advisory Board Reform Act, which would bar anyone with EPA grants from serving on the agency’s independent scientific review panel and would expand industry access to information.

### **HOUSE E&C SUBCOMMITTEE HOLDS HEARING ON OZONE IMPLEMENTATION LEGISLATION**

On Wednesday, the House Energy & Commerce Subcommittee on Environment held a hearing examining legislation that would give states a reasonable and realistic timeline for complying with the National Ambient Air Quality Standards (NAAQS) for ground-level ozone. H.R. 806, known as the “Ozone Standards Implementation Act of 2017,” was introduced by Rep. Pete Olson (R-TX) on February 1.

The legislation would counter EPA’s October 2015 updated ozone standard of 70 ppb. Although the 70 ppb standard is not as low as many feared and is considered a compromise between industry and environmental interests, the ozone final rule still places a burden on some counties which could mean RFG and lower RVP fuels.

PMAA supports this legislation because it provides a common-sense approach for implementing national ambient air quality standards, recognizes ongoing state efforts to improve air quality through a reasonable implementation schedule for the 2015 ozone standards, streamlines the air permitting process for businesses to expand operations and create jobs, and includes other reforms that bring more regulatory certainty to federal air quality standards. Bottom line: this bill would avert the spread of more RFG and lower motor fuels from hitting the market resulting in lower prices at the pump.

Testifying before the Committee Marc Cone, a professional engineer with the air quality office in Maine, expressed his support for the bill, stating that “the changes included in this bill would allow the EPA more time for strategies to be more thoughtfully developed, would help provide greater certainty within a more realistic timeframe for implementation of a new standard and would allow for assessment of the effectiveness of control measures that have been put in place.” When asked by Subcommittee Chairman John Shimkus (R-IL) if the legislation would in any way negatively affect his job of implementing air quality standards, Seyed Sadredin, the Executive Director and Air Pollution Control Officer at the San Joaquin Air Pollution Control District, specified that “nothing in this bill would roll back even a single measure that we have already put in place or will hold back anything we have to do or are planning to do moving forward to meet the current standards.”

Last year, PMAA joined over 200 associations, companies and state groups in a letter of support for this legislation. PMAA will work to ensure that the House and Senate consider and pass the “Ozone Standards Implementation Act.”

### **RANKING DEMOCRAT INTRODUCES INFRASTRUCTURE FUNDING BILL**

On Wednesday, House Committee on Transportation and Infrastructure Ranking Member Peter DeFazio (D-OR) introduced legislation that would increase the motor fuels tax in order to provide funding for repairs to the nation’s roads, bridges, and transit systems. The bill, known as the “Investing in America: A Penny for Progress Act,” would increase the gas and diesel fuel tax by a penny, raising the federal gas tax to 19.4 cents a gallon and the federal diesel tax to 25.4 cents a gallon. However, Rep. DeFazio says that the revenue from the increases could be leveraged in the bond market to raise an additional \$17 billion a year.

According to the plan, the Treasury Department would be authorized to sell \$17 billion in 30-year bonds each year against the future revenue from the gas tax. The bond money could then be deposited in the federal Highway Trust Fund, which funds roadways and transit systems, and be distributed directly to states under a provision already in the highway authorization bill. Rep. DeFazio stated that he has discussed his plan with the White House, although he has not received an answer as to whether the Trump Administration will support or oppose it.

### **PLEASE TAKE THE TIME NOW TO REGISTER AND RESERVE YOUR ROOMS FOR PMAA’S WASHINGTON CONFERENCE AND DAY ON THE HILL**

PMAA’s 2017 annual Washington Conference and Day on the Hill will be held in Washington, DC from May 17-19. With the new Congress and Administration in place, our industry continues to have dozens of important legislative and regulatory issues to discuss and the Day on the Hill continues to be the primary focus of this conference.

The meeting will begin with an Opening Session / Issues Briefing and Region meetings in the afternoon of May 17. In addition, PMAA will hear from Rep. Bill Flores (R-TX) on May 17 during the Opening Session. Our welcome reception, including our fun and popular PAC silent auction fundraiser, concludes the day! On the morning of May 18, marketers will head to Capitol Hill for visits with their Congressional delegations after a buffet breakfast and issues briefing for those who were not able to attend the opening session. Please be sure to make these appointments as soon as possible. There will be a hospitality suite and luncheon on the Hill. On the evening of May 18, we will honor our 2017 PMAA Chair Mark Whitehead from Lincoln, Nebraska. Our conference will conclude after the PMAA Board of Directors meet on May 19 following a buffet breakfast and committee meetings.

Please click [here](http://www.cvent.com/d/svqfns) (<http://www.cvent.com/d/svqfns>) for our event website for all details including registration with secure event payment processing through Cvent. If you plan on attending PMAA's annual Washington Conference and Day on the Hill, please take the time now to make your room reservation through A Room with A View (our overflow hotel company serving as our waitlist) at 800.780.4343. Washington Marriott at Metro Center PMAA room block is currently full. Hotel and Travel information is posted on our event website. We are expecting a RECORD turnout and would appreciate you and your members to plan ahead: We encourage you to make room reservations and complete online registration at your very earliest convenience.

Please make your plans to attend this important and productive forum to meet with your members of Congress and network with other marketers from across the country! We look forward to welcoming you to DC in May!

### ANNOUNCING NEW WPMA MEMBER SERVICE

WPMA has partnered with American Fidelity Assurance Company to provide its Marketer members with supplemental employee benefits, employee benefits education and enrollment, online enrollment tools and communication, and Patient Protection and Affordable Care Act (ACA) compliance.

For more information, visit [www.americanfidelity.com](http://www.americanfidelity.com).

## PLAN TO ATTEND THE 2018 WPMAEXPO

# WPMAEXPO

Mark your calendars for February 20-22, 2018. Make plans now to attend the 2018 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

### MARK YOUR CALENDARS FOR UPCOMING EVENTS

**May 4-5, 2017** – Nevada (NPM&CSA) Big Dogs Shootout – Las Vegas, Nevada

**June 6-8, 2017** – Montana (MPMCSA) Convention – Northern Hotel – Billings, Montana

**June 19-22, 2017** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

**June 22, 2017** – Utah (UPMRA) Summer Classic PAC Golf Outing – Stonebridge GC, WVC, Utah

**August 2-4, 2017** – Idaho (IPM&CSA) Convention – Sun Valley Resort – Sun Valley, Idaho

**August 21-23, 2017** – New Mexico (NMPMA) Convention – Sandia Resort – Albuquerque, New Mexico

**September 13-15, 2017** – Utah (UPMRA) Convention – Zermatt Resort – Midway, Utah

**February 20-22, 2018** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

**June 18-21, 2018** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

**August 8-10, 2018** – Idaho (IPM&CSA) Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho

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**Petro Pete: “We’re all strangers here, some are just stranger than others.”**

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