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TAX REFORM TAKES CENTER STAGE

Despite talk about Republican plans to restart their health care effort, House Ways and Means Committee Chairman Kevin Brady (R-TX) said this week that tax reform will take center stage.

President Trump has promised to detail a tax plan in the coming weeks. He has not stated whether it is a version of his proposal outlined during the campaign or if it will resemble the House Republicans' plan. Treasury Secretary Mnuchin said the Trump administration is "primarily focused on a middle-income tax cut and a simplification for business" which he said is "key to boosting economic growth to 3 percent annually or higher." He also stated that the administration has looked at the border adjustment tax (BAT) and is aware of some of the concerns with it.

The border adjustment tax is a key provision of the House Republican tax plan, something that has been spoken favorably by President Trump. However, lawmakers realize its complexity. Specifically, the BAT would end deductibility on import costs which businesses who largely import goods are opposed to. On the other hand, the plan would allow companies to exclude taxes they received on exports, meaning only revenue derived from inside the United States would be taxable. PMAA has initial concerns with the border adjustment tax. Refiners who rely heavily on imported crude oil, especially from Canada, could result in higher prices at the pump and higher heating fuel prices in the Northeast and Pacific Northwest.

Throughout the tax reform debate, PMAA will continue to weigh in on provisions that are particularly important to petroleum marketers such as the estate tax and LIFO. PMAA is still reviewing the border adjustment tax and the GOP tax proposal and will have additional information later on how it will impact petroleum marketers.

SENATE HOLDS HEARING ON SMALL BUSINESSES AND THE REGULATORY PROCESS

This week, the Senate Small Business and Entrepreneurship Committee held a hearing to consider the financial impact of regulations on small businesses and to examine how entrepreneurs confront and shape regulations.

In his opening statement, Chairman Jim Risch (R-ID) spoke about how excessive regulations hurt entrepreneurs' growth and operations. He stated that "small businesses need a break from the regulations that they've been suffering under for the last eight years. Under the Regulatory Flexibility Act that we have proposed, and we're going to consider before the committee, the federal government will be required to evaluate the impact of new regulations and implement them in a realistic fashion." Risch also stated that the current regulatory decision-making process is unsuccessful and does not sufficiently include the entrepreneurs who bear the heaviest burden of compliance with new and existing regulations. "Often when I talk to entrepreneurs they feel that their complaints, when there is a regulation proposed, fall on deaf ears. We all know it is much easier for a large business to comply when the federal government decides that they're going to enact some type of regulation. We need to ensure that the agencies listen to small businesses when making rules."

The National Small Business Association's 2017 Regulations Survey found that small business owners spend an average of \$12,000 every year on regulations, preventing more than half of small businesses from hiring new employees. Federal regulatory agencies estimate that the cost of complying with their own regulations is about \$108 billion annually. Furthermore, their compliance costs are 36 percent higher than those of larger firms.

HOUSE PASSES TRANSPARENCY IN EPA SCIENCE BILL

On Wednesday, the House passed the "Honest and Open New EPA Science Treatment Act of 2017" (HONEST Act) by a vote of 228 to 194. PMAA supports H.R. 1430 which would prohibit the EPA from proposing, finalizing, or disseminating regulations or assessments based upon science that is not transparent or reproducible.

Specifically, the Act would require EPA from taking regulatory action unless it publishes online any scientific research associated with the action, and in a manner, that is sufficient for independent analysis and substantial reproduction of research results. Identifiable information, trade secrets and privileged/confidential commercial/financial information would have to be redacted and could be made available only after the agency executes a confidentiality agreement.

CONGRESS WOULD PREFER TO AVOID FIGHT OVER SWIPE FEES

Although Republicans are eager to repeal Dodd-Frank, the financial legislation mega-package that was passed in 2010, many would prefer to avoid touching the Durbin Amendment which lowered debit card interchange fees. Why? As a financial regulation analyst said, it's "like choosing between two children."

The issue splits the 4.7 million stores and restaurants across the country that accept debit cards and the 5,000 commercial banks that issue them. Rep. Jim Himes (D-CT), who is also a former Goldman Sachs banker, said that he is "being forced

to choose between the competing interests of two big industries.” Banks like JPMorgan Chase and Company say they use the revenue from the interchange fees to increase cybersecurity and offer rewards programs, while retailers like Wal-Mart argue that the limit on interchange fees has led to lower prices for consumers.

House Financial Services Committee Chairman Jeb Hensarling (R-TX) plans to reintroduce a bill soon known as the Financial CHOICE Act, which would repeal the Durbin Amendment. Repealing the Durbin Amendment would be extremely harmful to retailers because it ultimately lowered debit card interchange fees which are the second highest expense to a retailer only behind labor.

PMAA has been working with the Merchants Payments Coalition (MPC) and meeting with House Financial Services Committee members for the past year to encourage them to strip the provision in the bill that would repeal the Durbin Amendment.

HOUSE REPUBLICANS ARE STILL DETERMINED TO PASS HEALTHCARE BILL

On Tuesday, President Trump said that a deal on health care reform was not dead and vowed it could happen quickly and easily as House Republicans said they were determined to get it done despite last week's defeat. House Republicans, including moderates known as the [Tuesday Group](#) and [Freedom Caucus](#) members, said they also remained intent on passing a repeal and replacement bill for Obamacare, even after leadership pulled the healthcare bill last Friday.

House Freedom Caucus members and moderate Republicans met this week to reopen the conversation on how to repeal and replace Obamacare. Rep. Dave Brat (R-VA), a Freedom Caucus member, said that there's currently “no agreement, but everyone in that room is dying to get to yes.” Brat also stated that “once a few subgroups come together with a potential yes, boy, I think everyone is going to be happy.”

Leadership is also now open to reviving the healthcare bill, but want the members to come together to settle their differences. House Speaker Paul Ryan (R-WI) told reporters that they are “going to keep talking to each other until [they] get it right.” He added that he's “not going to put a timeline on it because this is too important to not get right and to put an artificial timeline on it.”

Much of the blame for the failure that occurred last Friday has been put on the House Freedom Caucus, and President Trump has been vocal about his displeasure with the members of the caucus that were against the bill. Speaker Ryan has warned that President Trump will work with Democrats to fix Obamacare if the House doesn't come together to reach a deal on a healthcare bill.

FMCSA PERMANENTLY SUSPENDS 2013 AMENDMENTS TO DRIVER 34-HOUR RESTART PROVISIONS

The U.S. Department of Transportation's (DOT) Federal Motor Carrier Safety Administration (FMCSA) has announced that controversial 2013 amendments to the 34-hour restart provisions under U.S. DOT driver hours of service (HOS) regulations have been permanently suspended. The FMCSA suspended the 2013 restart provisions after a new study concluded that the stricter provisions provided no additional safety benefit over previous HOS restart regulations. Therefore, the only part of the 2013 amendments that remains in place is the 30-minute break requirement within the first 8 hours of driving. However, a 2013 court ruling removed the 30-minute break requirement for short-haul drivers that qualify for the 100-air mile exemption from keeping written log books. The suspension of the 2013 amendments means that CDL drivers can now end their week, spend 34 hours off duty and start a new week. Also, drivers can once again use the restart more than one time per week without waiting for 168 before using it again. This returns the flexibility needed for heating oil drivers to arrange their schedules to meet customer demand. PMAA opposed the 2013 HOS amendments in written comments, public testimony and as part of a broader industry coalition.

The 34-hour restart regulations took effect July 1, 2013, and were suspended on December 15, 2014, following widespread pushback from the industry. As part of a broader hours-of-service overhaul by the DOT's Federal Motor Carrier Safety Administration, the regulations required any 34-hour restart to include two 1 a.m. to 5 a.m. periods and allowed truckers to only take one restart per 168-hour period. Congress suspended 2013 provisions in December 2014 and until the FMCSA conducted a new study to determine whether they could go back into effect.

The study, released last week concluded the 2013 regulations did not enhance safety or reduce driver fatigue. FMCSA, in partnership with Virginia Tech's Transportation Institute, studied 235 truck operators for five months. The FMCSA has informed Congress that the 2013 restart provisions have been suspended.

STRONG OPPOSITION TO PRESIDENT'S PROPOSED ELIMINATION OF LIHEAP

Recently, President Trump released his proposed \$1.1 trillion FY 2018 budget blueprint, which eliminates LIHEAP. Additionally, the President is requesting that the remaining FY 2017 LIHEAP as well as the Weatherization Assistance Program funds should not be used for those programs. Both programs are vital in serving low income consumers of home heating fuel and PMAA needs your help to send a message to the Administration and Congress to maintain LIHEAP funding. Much of Trump's blueprint is strongly criticized, even by members of his same party. Like all presidential budgets, ultimate passage of the blueprint is not likely, especially provisions such as the elimination of LIHEAP which will not be

supported by a majority in the Senate. In both chambers, most domestic programs have bipartisan advocates. And in the Senate, bipartisan support will be imperative because it takes 60 votes to move spending bills past delaying tactics.

PMAA is a member of the National Energy and Utility Affordability Coalition (NEUAC) which is circulating an “all organizations” letter to save LIHEAP. Please sign your organization on this letter by clicking [here](https://neuac.z2systems.com/np/clients/neuac/survey.jsp?surveyId=8&) (<https://neuac.z2systems.com/np/clients/neuac/survey.jsp?surveyId=8&>) as the deadline is April 25. Individuals can send letters via the same site by clicking [here](https://neuac.org/advocacy/save-liheap/) (<https://neuac.org/advocacy/save-liheap/>). Also, click [here](https://liheapch.acf.hhs.gov/snapshots.htm) (<https://liheapch.acf.hhs.gov/snapshots.htm>) to view state by state information.

Finally, urge your House lawmakers to sign onto a LIHEAP “Dear Colleague” letter spearheaded by Rep. Pete King (R-NY) and Rep. Peter Welch’s (D-VT) offices. House Republican staff should contact [Tim Ursprung](mailto:tim.ursprung@mail.house.gov) (tim.ursprung@mail.house.gov) in King’s office and [Isaac Loeb](mailto:Isaac.Loeb@mail.house.gov) (Isaac.Loeb@mail.house.gov) in Rep. Welch’s office to sign the letter.

COMMITTEE CONSIDERS THE FUTURE OF SNAP

On Tuesday Rep. Glenn Thompson (R-PA), House Agriculture Committee’s Subcommittee on Nutrition chairman, held a hearing regarding the future of the Supplemental Nutrition Assistance Program (SNAP) to set the stage for the next farm bill. During the 114th Congress, the committee completed a comprehensive review of SNAP—known as the Past, Present, and Future of SNAP—which helped members gain a better understanding of the program and the population it serves, and it also brought attention to areas in need of improvement. This hearing allowed the subcommittee to hear from witnesses who shared their suggestions for improving the program.

Witnesses were Stacy Dean, Center on Budget and Policy Priorities; Russell Sykes, Center for Employment and Economic Well-Being, American Public Human Services Association; Joe Arthur, Central Pennsylvania Food Bank; Josh Protas, MAZON - A Jewish Response to Hunger; and Jennifer Hatcher, Food Marketing Institute.

In his statement, Agriculture Committee Chairman Michael Conaway (R-TX) said, “While the House Agriculture Committee’s comprehensive two-year review showed us that SNAP is working well in many areas, it also showed us that there are a number of areas in need of improvement. By understanding what works and what doesn’t, we can make certain SNAP is meeting the needs of the populations it is intended to serve. As we continue to evaluate the future of SNAP, it is important to recognize it is not a one-size-fits-all solution to ending hunger and food insecurity in this country—everyone has a role to play in lifting Americans out of poverty. It is also important to ensure that taxpayer dollars are being well spent, by serving recipients in the most efficient manner possible while maintaining program integrity and reducing administrative burdens.”

Republicans are considering separating the SNAP from the 2018 Farm Bill as well as creating work requirements and jobs skills training for eligibility. Next month the subcommittee will look at whether sugary drinks and candy linked to obesity and diabetes should be eligible for purchase with federal taxpayer dollars.

REGISTER 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.

PLAN TO ATTEND THE 2018 WPMAEXPO

WPMA EXPO

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: "Whenever I find the key to success, someone changes the lock."

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