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**PMAA WORKING TO EASE FUEL DELIVERY BARRIERS FOLLOWING COLONIAL EXPLOSION**

This week following the explosion on Colonial Pipeline's Line 1 in Shelby County, Alabama, PMAA has been working with the federal government, PMAA State Association Executives, and industry representatives to ease the many barriers to continuing gasoline supply in the southeast region that is affected by the disruption.

PMAA's Disaster Response Director Sam Bell of Echol's Oil Co., Inc., as well as PMAA's Vice President Sherri Stone represent marketers on the Oil and Gas (ONG) Sector Coordinating Committee (SCC) which met this week with federal members of the ONG Government Coordinating Committee to discuss ongoing security, disaster prevention and emergency response. During these meetings PMAA again brought up the problem of not having enough drivers who can pick up fuel at a port. PMAA argues that during an emergency the Transportation Workers Identification Card (TWIC) requirement should be waived to allow drivers with hazardous materials certification to pick up fuel for delivery to states that are experiencing supply disruptions. At a minimum, escorts should be available at the terminals 24/7 during an emergency in order to minimize delays in moving fuel where it is needed. We are also in discussions regarding problems drivers face at weigh stations and with state police while driving thru non state of emergency states in order to assist with fuel delivery in states where waivers are in place, and ways that region wide HOS and weight waivers can be issued when appropriate rather than waiting on the piece meal state waivers. These are but a few of the ways processes can be modified, and PMAA welcomes all member feedback on inefficiencies that should be addressed.

PMAA's prayers are with the person whose life was lost due to the explosion, as well as the five individuals who were injured. This of course is the third incident in the region in just a few months, with the Colonial Pipeline leak in September, Hurricane Matthew in October, and now the explosion.

This is one of many reasons that PMAA became actively engaged in the disaster response community following Super Storm Sandy in 2012. PMAA seeks to facilitate communication between the federal government, state governments and industry, and we are determined to minimize bureaucracy and inefficiencies in the emergency response processes. As the leading association of marketers, PMAA's participation and initiation of problem solving in the act of responding to disasters is most appropriate and critical. That is why PMAA is the lead association in this field and we are the only marketer association active in the governments' Energy Response Center.

PMAA continues to make the concerns of our members heard as we work for acceptable solutions to these problems.

**FINAL SNAP RULE EXPECTED BY END OF THE YEAR**

On Halloween the USDA sent the final "Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP)" Rule to the Office of Management and Budget (OMB) for review. PMAA submitted comments regarding the onerous proposed rule earlier this year.

PMAA has serious concerns that the proposed rule goes much further in changing the retailer SNAP participation requirements than Congress intended in the statutory requirements of the 2014 Farm Bill. Unfortunately USDA also added these unnecessary requirements in the proposed rule: retailers would be ineligible for the program if 15% of "total food sales" are items that are cooked or heated on site; that "multiple ingredient" items (cold pizza) would not be counted in any staple food category and would not go toward meeting a retailer's "depth of stock" requirements. Currently multiple ingredient foods can be counted under the category of the main ingredient. In addition, the proposal would require that retailers always have six units of each of the 28 food items that are counted under the four categories of eligibility for SNAP participation. Currently stores are required to stock 28 items on a continuous basis but under the proposed rule, retailers would be required to stock 168 units of single-ingredient food items at all times.

PMAA is certain the proposed requirements could cause tens of thousands of convenience stores to stop participating in the SNAP program, at the detriment of people who lack easy access to transportation, particularly in rural areas and inner cities. To combat the SNAP proposed rule, the Senate Appropriations Committee passed its FY 2017 Agriculture Appropriations Bill which includes language offered by Agriculture Subcommittee Chairman Moran (R-KS). Moran's amendment would prevent FNS from using funds to establish stocking requirements, eliminate multiple ingredient foods from the staple foods category, or prevent retailers from eligibility based on their percentage of heated or cooked food sales. The language passed without objection, sending clear congressional opposition to the proposed rule. The House Appropriations Committee passed similar language in April that would preclude FNS from finalizing or implementing its rule beyond the requirements in the 2014 Farm Bill. A final ruling is expected by the end of the year.

PMAA will continue to fight for fairness for retailers who help millions of Americans who participate in SNAP.

## STOP THE HIT COALITION SENDS LETTER TO LEADERSHIP

Last week, PMAA joined the Stop the HIT Coalition in sending a letter to Senate and House leaders urging them to include an extension of the one-year suspension of the Health Insurance Tax (HIT) in any legislative package that will be passed before the end of the year. The HIT is a tax on health insurance that affects small businesses, seniors and low to middle income families. Premiums on health insurance for those affected by the tax are expected to increase by \$5,000 over the next decade. Small employer businesses have already been hit with laws and regulations that have caused a reduction in benefits and the HIT would only add to this.

An extension of the one-year suspension of the HIT passed by Congress last year is essential to ensure small businesses are not forced to pay more in taxes for healthcare.

## PMAA JOINS COALITION IN ESTATE TAX COMMENTS TO IRS

On Wednesday, the Small Business Leadership Council (SBLA) and the Family Business Estate Tax Coalition (FBETC), both of which PMAA is a member, filed comments on the proposed regulations that affect family-owned businesses under section 2704 of the Internal Revenue Code. In the SBLC [comments](#) and the FBETC [comments](#), the coalitions expressed opposition to many provisions in the proposed rule including those related to the “three years of death rule”, the “valuation discount rule” and the “minority discount rule”. The proposed regulations circumvent the legislative process through unlawful regulatory action.

Additionally, on Thursday, Republican members of the House Ways and Means Committee sent a letter to Treasury Secretary Jacob Lew urging the Administration to withdraw its proposal to minimize the number of estates that will be eligible for valuation discounts and avoidance of double taxation via the estate, gift or transfer taxes. The use of valuation discounts on family-controlled entities began in 1993 and quickly surged as a popular tool for estate planners. In valuation discounts, the amount assets are worth is reduced. For example, a company may not be particularly marketable or a stake in a company is a minority interest. That allows the assets to fall under the estate tax threshold, which is \$5.45 million for individuals and \$10.9 million for families.

## DEMOCRATS DEMAND INVESTIGATION OF COLONIAL PIPELINE

Following the October 31 explosion of the Colonial Pipeline in Shelby Alabama, House Democrats are calling on Transportation Secretary Anthony Foxx to assess the integrity of the full pipeline system, the company’s management of the system and its oversight activities over the past 5 years.

The ranking member of the full Energy and Commerce Committee Frank Pallone (D-NJ) and Transportation and Infrastructure Subcommittee ranking member Peter DeFazio (D-OR) as well as three other committee members penned the request to Secretary Foxx. The other signers were Bobby Rush (D-Ill), Michael Capuano (D-MA) and Diana DeGette (D-CO).

The Democratic members of the Energy Committee wrote that “This is an unacceptable situation, and we are concerned that the number, frequency and severity of significant incidents on Colonial’s system over the past five years could be symptomatic of severe underlying problems with the system and the company’s management of that system”. Pipeline and Hazardous Materials Safety Administration (PHMSA) is on-site in Alabama investigating the October 31 incident as well as the cause of the September 9 failure.

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**December 8, 2016** – Washington (WOMA) Christmas Party – SAFECO Field – Seattle, Washington

**February 21-23, 2017** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

**March 1, 2017** – Utah (UPMRA) Day on Capitol Hill – Salt Lake City, Utah

**May 18-19, 2017**– Nevada (NPM&CSA) Big Dogs Shootout – TBD, 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 – TBD, 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

**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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