

December 16, 2016

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WP-12-16-16

**FMCSA HANDS PMAA A VICTORY ON ENTRY LEVEL DRIVER TRAINING REQUIREMENTS**

PMAA is pleased to report that the Federal Motor Carrier Safety Administration (FMCSA) dropped a provision from a final rulemaking that would have required a minimum 30 hours behind-the-wheel (BTW) practical training requirements for entry level CDL drivers. FMCSA cited PMAA's opposition from this provision when dropping it from the final rule. PMAA opposed this provision in written comments because it would have reduced the already shrinking number of new drivers by establishing unnecessary regulatory barriers to CDL qualification. Not the least of these barriers is the added cost that entry level drivers would be required to pay in order to obtain a CDL.

PMAA told the FMCSA that there is currently no scientific basis demonstrating that minimum hours based BTW training program leads to more proficient drivers. PMAA pointed out that adopting an hours-based BTW mandate violates Executive Orders 12866 and 13563 and Office of Management and Budget (OMB) directives that federal agencies give preference to rules based on performance standards. According to these directives, "performance standards give the regulated parties the flexibility to achieve regulatory objectives in the most cost-effective way." The minimum hour BTW requirement was the most onerous provision in the NPRM from our perspective and we are happy the FMCSA heard our concerns. PMAA supported a performance based standardized core curriculum for CDL drivers in the final rule because it will lead to safer and more professional drivers while allowing trainers to offer more industry specific training as needed. PMAA believes the FMCSA came up with a final rule that implemented the changes to entry level driver training mandated by Congress while offering a significant flexibility that won't act as a deterrent to new CDL applicants.

**CONGRESS ADJOURNS WITHOUT ACTING ON ENERGY BILL, BIODIESEL TAX EXTENSION AND SPEED LIMITER MANDATE**

Last Friday night, Congress adjourned after passing a short-term spending bill known as a Continuing Resolution (CR) to fund the government through April 28. Fortunately, the CR did not include a speed limiter mandate on heavy-duty trucks. PMAA sent a letter last month urging House members not to include speed limiter mandate language in a government funding bill. Given the active rulemaking on this issue such legislation was inappropriate.

Meanwhile, Congress left town without extending a host of energy tax credits including the biodiesel blender's tax credit. When Congress returns next year, comprehensive tax reform will likely be in the cards and the biodiesel tax credit could be included. It is more than likely that if the biodiesel blender's credit is renewed that it will be phased out over a few years. PMAA will continue to fight against moving the biodiesel blender's credit to the production level.

Congress did not act on an energy bill before it left town. Although there were disagreements on many provisions, the Senate and House bills included language relating to liquefied natural gas (LNG). Included were provisions that would expand federal energy efficiency programs, streamline permitting for interstate natural gas pipelines and expedite approval of LNG exports.

The 115th Congress will begin early next year. At this point, it is unclear how quickly the new Congress will act on energy legislation and comprehensive tax reform, although President-elect Trump has included tax reform in his first 100 days plan.

**TRUMP TAPS RICK PERRY FOR ENERGY SECRETARY, RYAN ZINKE FOR INTERIOR SECRETARY**

Former Texas Governor Rick Perry has been chosen by Donald Trump to run the Department of Energy (DOE). Perry, who once said he would eliminate the Department of Energy, could be heading the agency. Perry beat out two other top contenders for Energy Secretary, Sen. Joe Manchin (D-WV) and Ray Washburne, an investor working in oil and gas operations.

Since 2005, Perry has sat on the corporate board for Energy Transfer Partners, the parent company of Dakota Access LLC, which is pushing to build the pipeline. While the Obama administration blocked the Dakota Access Pipeline easement through Lake Oahe, the Trump administration will likely overturn this. President-elect Trump, who has previously invested in Energy Transfer Partners and supports the pipeline, stated that he would intervene if the conflict isn't resolved by his inauguration. In his first 100 days, President-elect Trump says he will roll back Obama-era regulations on the oil industry. Perry will likely play a role in this process as Energy Secretary.

Montana's freshman Rep. Ryan Zinke (R-MT), a former Navy Seal commander, was recently picked by President-elect Trump to be Secretary of Interior. As Interior Secretary, Rep. Zinke would be charged with carrying out the pro-drilling agenda that Trump championed on the campaign trail.

## **HOUSE MET POST ADJOURNMENT TO DISCUSS TAX REFORM**

Although the 114th Congress adjourned last week for the remainder of the year, House Ways and Means Republicans met on December 14 – 15 to delve into specifics of their 35 page Tax Reform Blueprint and consideration of health-care tax overhaul. The two-day meeting is a step toward filling in the reform blueprint gaps and beginning to write actual legislative text.

Under the House proposal, federal estate and gift taxes would be repealed, although Trump's plan would impose capital gains taxes on assets held at death and valued at over \$10 million. A recently proposed regulation issued under Internal Revenue Code Section 2704 would minimize the number of estates that will be eligible for valuation discounts and avoidance of double taxation via the estate, gift or transfer taxes. PMAA has been working with coalitions to fight this valuation discount regulation. Fortunately, Section 2704 proposed regulations will likely die when President Obama leaves office.

The proposal would drop the tax rate for all businesses from 35 percent to 15 percent, and the corporate alternative minimum tax (AMT) would be eliminated. The Tax Blueprint diverges from the Trump plan with respect to active business income from sole proprietorships and pass-through entities, capping it at 25 percent (although compensatory income would be taxed at up to the 33 percent rate). S corporations would be taxed at a flat 20 percent rate. The blueprint also preserves the last-in-first-out (LIFO) method of accounting while Trump has been silent on LIFO.

House Ways and Means Republicans also discussed a new tax on imports, which could increase the cost of crude oil imports with some energy firms reporting that prices at the pump could rise as much as 25 cents per gallon as a consequence. The PMAA Motor Fuels Committee will be reviewing the proposal and decide the best course of action.

Given the strong support for tax reform among congressional Republicans, we expect 2017 to bring significant changes to the tax code and PMAA will continue to weigh in on provisions that are particularly important to petroleum marketers such as the death tax and LIFO.

## **HEALTHCARE RELIEF FOR SMALL BUSINESSES**

Last week, by a vote of 94 to 5, the Senate passed the 21st Century Cures Act package, which includes the Small Business Healthcare Relief Act. The House passed the bill the week before by a vote of 392-26.

The bill is now headed to President Obama who has said that he will sign it as soon as it gets to him.

This is great news for the country's small businesses as the language will allow businesses with fewer than 50 employees to once again reimburse employees for their premiums on a pre-tax basis for individual coverage without penalty. PMAA worked with the Small Business Legislative Council (SBLC) for months on this issue and we are pleased to see the success.

## **CONGRESSMAN SENDS LETTER TO FTC**

American Express to extend the EMV Fraud Liability Shift

This week, Rep. Peter Welch (D-VT) penned a letter to the Federal Trade Commission (FTC) regarding limitations on debit network routing. In the letter, he expressed his appreciation for the FTC's investigation into Visa's policies in regards to the company's EMV Chip Card policies. [Click here to view the letter.](#)

Additionally, American Express recently announced plans to extend the date of its EMV Fraud Liability Shift for fuel merchants to 2020. The extension will give fuel merchants flexibility in their fight against fraud by providing additional time to upgrade their automatic fuel dispenser systems to accept EMV chip cards. Starting October 2020, US fuel merchants may be held liable for fraud chargebacks that result from payment transactions performed at automatic fuel dispensers if they have not enabled these devices to accept EMV chip cards.

## **2017 WPMAEXPO - LAS VEGAS, NEVADA**



Mark your calendars for February 21-23, 2017. Make plans now to attend the 2017 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

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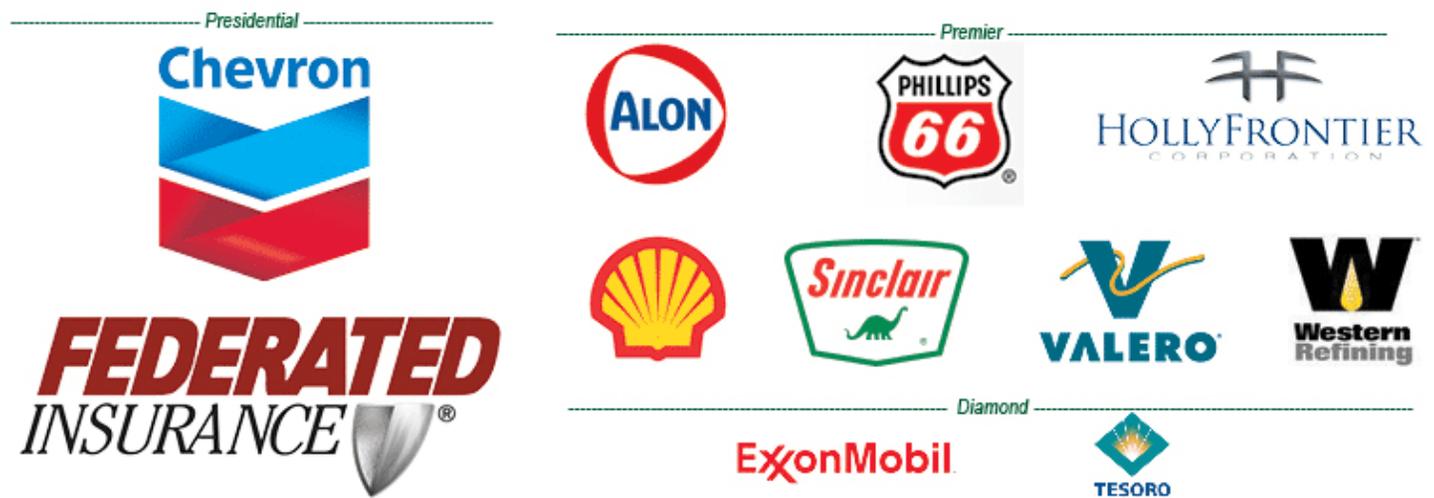
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**February 21-23, 2017** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

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

**May 4-5, 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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