

MONTANA MESSAGE

April 2016 ISSUE

PETRO POLLY... Trivia for the Day....

“Nearly 300,000 trees are cut down yearly to produce the paper for all the IRS forms and instructions. The total number of computers thrown out the window, or kicked with a frustrated foot is unknown.”

Yes, every year around April 15th Americans have a rendezvous with debt...I attempted to find out when Tax Freedom Day is this year in Montana but as of this writing I was not successful. In 2015 it was April 24th. At any rate – don’t forget to pay your taxes!!

As even numbered years are “Off” legislative years in Montana, some may wonder what we’re working on and what’s going on in general. First, 2016 is a big election year and in addition to the national races, Montana will be electing several statewide officials including a Governor, Attorney General, Secretary of State, Insurance Commissioner, Superintendent of Public Instruction and two Supreme Court Justices. Of course there is also the 100 Representatives in the House and half (25) of the Senate that will be vying for their district seats. Many of these candidates will soon be seeking endorsements and monetary assistance from organizations and individuals alike in their quest to win elections. As many of you are aware the Association has been soliciting funds for the Political Action Committee (PAC) that we use to support various candidates that are friendly to the industry and business in general. We designate our contributors “Rock Stars” and many of you are on this list. Thank you!

In the off session years, the Legislature holds interim committee meetings to plan for the next Legislature which for Montana will convene in January of 2017. The Association typically finds itself involved with one or more of these committees on a particular issue. For example, the Revenue & Transportation Interim Committee will be discussing dyed diesel and other states’ treatment of off-highway/agricultural usage and whether or not to make changes to Montana’s program. The Environmental Quality Council monitors the Petroleum Tank Release Compensation Fund and at its next meeting will be asking for a review of all site closures. In general we monitor the discussions of all committees that have oversight of industry issues. One particular matter the Board continues to work on is the Bureau of Weights & Measures testing program for fuel meters. This has been ongoing for the past three years and we believe we may finally be moving forward with a joint effort between the Association and the Bureau. This will involve a bill in the next Legislative Session to adopt a risk based testing method for small retail meters in particular. When the details of the plan are available we will share that with our members.

Local option fuel taxes is another issue the Association has been watching carefully. Several counties in recent months have had formal conversations with their Commissioners to consider placing an initiative on the ballot to adopt a county-wide fuel tax. We are not surprised that local governments are exploring all options to generate funding with the failure of the last two Legislatures to address infrastructure concerns. Several organizations have now formed a working group to develop an “Infrastructure Coalition” that will seek to develop legislation to solve the funding problems facing the State. We know that part of this plan will include a statewide fuel tax increase (number not known at this time). The Board has developed a two-part position regarding a statewide fuel tax increase. First, the Association will not oppose an increase if the

funds generated are protected from any use other than the building and maintenance of highways & roads. Secondly, if the Infrastructure Coalition (which we will likely be part of at some point) can agree on all parameters of the legislation, then the Association would actively support it. One fact to point out; currently the local governments, (cities/towns and counties) receive a statutorily set amount from the fuel tax to manage their street and road maintenance. This amount has not been altered since the 1970's, so we can understand their budget frustrations. The Association would much rather see a fair, "across the board" tax increase, than attempt to turn back (or perhaps fail to turn back) local option taxes.

Work has begun in earnest for this years' convention which will be held at a new location for us at Fairmont Hot Springs & Resort outside of Butte, MT. Golf at the Old Works Golf Club (Jack Nicklaus course) will start off the events on June 7th. We're excited to have a long time political analyst, Mr. Jim Ellis as our opening session speaker. Mr. Ellis is the publisher of the Ellis Insight newsletter and is a thirty-year veteran of politics at the state and national levels. His presentation will be very timely as both the Democrat and Republican national conventions will be held in July. We have also secured Betsy Bixby of Meridian Associates for the afternoon educational session. Betsy will be presenting a session about marketer challenges and success strategies. We hope to see many of you at Fairmont in June!

Finally, the search is on for a new Executive Director of the MPMCSA. We hope to have this new individual on board by June 1st for introduction at the convention. It's been a great run for me with this amazing industry and it's a great opportunity for whoever comes next. Stay tuned for more news!