

February 8, 2019

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WP-02-08-19

### PLEASE JOIN US AT THE WPMAEXPO IN LAS VEGAS, FEBRUARY 19 - 21!

This year we are excited to announce some new features to our EXPO. Don't miss the new "Get Up and Go" Breakfast available to you at the show. Don't waste any time in restaurant lines - have your next meeting in our private room.

You won't want to miss your chance to win a 2019 CAN AM four-seater extreme off-road side by side by purchasing a raffle ticket at the WPMA registration booth; and stick around after the Keynote Speaker and you could walk away with a 2019 400cc off-road Quad for a \$20 buy in with our Heads or Tails Game.

Our line-up of speakers will certainly get you attention, starting with our Keynote Speaker Steve Bannon who was CEO of President Trump's Presidential Campaign, and whose resume includes Political Strategist, Media Executive, Naval Warfare Officer, Pentagon Special Assistant to the Chief of Naval Operations, Georgetown University Masters Graduate and an MBA from Harvard Business School.

Tuesday's Educational sessions include a Federal Legislative Update and Information on the Spirit Brand; Changes to the Renewable Fuel Standard; Identifying Skimming and How to Avoid Fraud in the Workplace; Screening, Hiring and Retaining Employees; and the Future of C-Stores.

Our Ladies Luncheon Speaker is Vegas' own Marilyn Sherman from Front Row Leadership; the author of *Communicating with Results*, *From Conflict to Cooperation* and *There's a Hole in My Bucket List*.

On Thursday, come and listen to Tom Kloza, Global Head of Energy Analysis for OPIS, who will present a Global Outlook at petroleum marketing.

Come and join us at The Mirage February 19 – 21 to gain information and ideas that will help you achieve new levels of success in 2019!

### WPMA SCHOLARSHIP FOUNDATION GOLF TOURNAMENT

There is still room available to golf in the WPMA Scholarship Foundation golf tournament, to be held Tuesday, February 19 at world-famous Bali Hai Golf Club, the only championship golf course remaining on the famed Las Vegas Strip! Sign up online at <https://www.wpma.com/national-convention/golf> . Come and join us in sunny Las Vegas for a great day of golf and camaraderie at Bali Hai Golf Club!

### SCHOLARSHIP DEADLINE IS APPROACHING!

The time is fast approaching when the WPMA scholarship recipients for 2019 will be selected. **MARCH 1, 2019 is the cut-off date** for applications to be postmarked and mailed to the WPMA office. Usually, there are less than 20 applicants for each WPMA state scholarship and the associate member scholarship, which makes the chances of receiving a scholarship very good. Applicants must be graduating high school seniors, and the son or daughter of a full-time employee of a WPMA member or associate member company. Applicant qualification information and the scholarship applications and are available to download at <https://www.wpma.com/pdf/scholarship/Scholarship-Application-eform18-19.pdf> . Scholarship applications are also available from the WPMA office by e-mailing [kathym@wpma.com](mailto:kathym@wpma.com) and requesting an application. The WPMA scholarships pay \$500 per semester for up to eight semesters, for a maximum award of \$4,000. **Employers, please remind your employees to request or download an application right away, and give their students a chance for some extra financial help in college!**

### LAWMAKERS REINTRODUCE BILLS TO END EV TAX CREDITS

This week, Sen. John Barrasso (R-WY), chairman of the Senate Environment and Public Works (EPW) Committee and Rep. Jason Smith (R-MO), reintroduced the "Fairness for Every Driver Act." The legislation would save billions in taxpayer funds by ending the federal electric vehicle (EV) tax credits and strengthen the Highway Trust Fund (HTF) by ensuring that alternative fuel vehicle drivers pay into it.

Specifically, the legislation would:

- Terminate and repeal the federal electric vehicle tax credit up to \$7,500 per new electric vehicle purchased for use in the U.S.;
- Impose a federal highway user fee on alternative fuel vehicles;
- Require that all user fees be collected with the user's tax return; and
- Ensure the transfer of federal highway user fees into the HTF.

In a statement, Chairman Barrasso said, "The Fairness for Every Driver Act will save taxpayers billions of dollars and help keep our roads safe. The legislation levels the playing field for all cars across America. Gas, electric, and alternative fuel vehicles all use the same roads and put the same amount of wear and tear on those roads. Every driver should contribute to maintain America's highways." In his statement, Rep. Smith said, "Rural America's taxpayers shouldn't be footing the bill for others to drive high-end electric vehicles. The Electric Vehicle Tax Credit has benefited the wealthy at the expense of everyday Americans just trying to get by. It's time to end this wasteful subsidy and help rebuild our nation's infrastructure by ensuring every driver contributes to improving the roads we all use."

The Manhattan Institute, a conservative think tank, estimates that ending the electric vehicle tax credit would save roughly twenty billion dollars in taxpayer funds over the next 10 years. The Fairness for Every Driver Act will require a federal highway user fee on alternative fuel vehicles that will generate billions for the HTF over the next decade.

### **PMAA SENDS JOINT LETTER SUPPORTING A RENEWAL OF THE BIODIESEL BLENDER'S TAX CREDIT**

This week, PMAA, NEFI and several other groups sent a letter to House and Senate leadership in support of a 2018 retroactive renewal of the \$1 per gallon biodiesel blender's tax credit, which expired on December 31, 2017. Further, the letter urges Congress to include a multi-year extension of the credit.

There has been some discussion on Capitol Hill about potentially attaching a tax extenders package to upcoming legislation needed to avert a government shutdown. The extenders package would likely include a renewal of the biodiesel blender's tax credit that is important to marketers. Other credits that could be included in the tax extenders package are the credits for the installation of qualified alternative fuel vehicle refueling property in a home or business; the Alternative Fuels Excise Tax Credit for the use of propane as a transportation fuel, known as the "propane autogas tax credit;" and the Section 25C tax credit for the installation of qualified high-efficiency residential HVAC systems and certain energy-saving home retrofits.

Additionally, the tax extenders bill could renew the Oil Spill Liability Tax (OSLT). Recently, PMAA and other groups sent a letter to Congressional tax writing committees to oppose the retroactive renewal of the tax and renew only on a prospective basis after the date of enactment. Applying an excise tax to 2019 transactions that have already been processed and the associated products sold multiple times would create significant transactional concerns and potential legal implications within the entire fuel supply chain.

### **DEMOCRATS RELEASE THE GREEN NEW DEAL**

On Thursday, Rep. Alexandria Ocasio-Cortez (D-NY) and Sen. Ed Markey (D-MA) released the Green New Deal which calls for a "10-year plan to mobilize every aspect of American society at a scale not seen since World War 2 to achieve 100 percent net-zero greenhouse gas emissions and create economic prosperity for all." The Green New Deal backers offer hardly any details on how to achieve these goals other than investment of public money.

Senate Environment and Public Works (EPW) Committee Chairman John Barrasso (R-WY) called the Green New Deal "a socialist manifesto that lays out a laundry list of government giveaways, including guaranteed food, housing, college, and economic security even for those who refuse to work." He added, "As Democrats take a hard-left turn, this radical proposal would take our growing economy off the cliff and our nation into bankruptcy. It's the first step down a dark path to socialism."

Republicans are not the only lawmakers on Capitol Hill who have issues with the Green New Deal. Yesterday, Senate EPW Ranking Member Tom Carper (D-DE) didn't endorse the resolution, instead saying, "I encourage members of our committee to examine the Green New Deal resolution and consider the ways in which we may be able to incorporate its ideas within our work this Congress." Speaker Nancy Pelosi (D-CA) also dodged questions on whether she supported the rollout of the Green New Deal.

Rep. Ocasio-Cortez and Sen. Markey describe it as a "plan to create a greenhouse gas neutral society that creates unprecedented levels of prosperity and wealth for all while ensuring economic and environmental justice and security." The resolution calls for investments in zero-emission vehicles, public transit and high-speed rail. Furthermore, the Green New Deal calls for "an upgrade to the basic economic securities enjoyed by all people in the US to ensure everybody benefits from the newly created wealth."

Democratic presidential hopefuls are also cosponsoring the resolution including Senators Cory Booker (D-NJ), Kirsten Gillibrand (D-NY) and Kamala Harris (D-CA). Senators Bernie Sanders (I-VT) and Jeff Merkley (D-OR) are also cosponsors and they are likely to run for their party's nomination as well.

Meanwhile, Speaker Pelosi announced the Democratic roster for her special select panel on climate change, which specifically left off Rep. Alexandria Ocasio-Cortez (D-N.Y.). The new House Select Committee on the Climate Crisis will be chaired by Rep. Kathy Castor (FL). The democratic members of the panel are Reps. Ben Ray Lujan (N.M.), Suzanne Bonamici (OR.), Julia Brownley (CA), Sean Casten (IL), Jared Huffman (CA), Mike Levin (CA), Donald McEachin (VA) and Joe Neguse (CO). Rep. Kathy Castor (D-FL), chairwoman of the House Climate Committee, said yesterday that she will

consider the Green New Deal as she works to develop policies for addressing climate change, but stopped short of endorsing the resolution.

Finally, the House Energy and Commerce Subcommittee on Environment and Climate Change held a hearing entitled "Time for Action: Addressing the Environmental and Economic Effects of Climate Change." At the hearing, many Republicans expressed frustration with the Green New Deal. Subcommittee Ranking Member John Shimkus (R-IL) said, "We should be open to the fact that wealth transfer schemes suggested in the radical policies like the Green New Deal may not be the best path to community prosperity and preparedness." Rep. David McKinley (R-WV) called the Green New Deal "delusional" and Rep. Bill Flores (R-TX) called it a "chaotic headlong rush into decarbonization." Rep. Billy Long (R-MO) said that "When the leader of your own party is throwing shade at your "green dream" you know you have problems," said Rep. Billy Long (R-MO), referring to comments from House Speaker Nancy Pelosi.

### **HOUSE TRANSPORTATION COMMITTEE HOLDS HEARING ON INFRASTRUCTURE**

Yesterday, the House Transportation and Infrastructure Committee held a hearing entitled, "The Cost of Doing Nothing: Why Investing in Our Nation's Infrastructure Cannot Wait," to examine the current state of American roads, bridges, transit systems and other infrastructure needs.

At the hearing, both Committee Chairman Peter DeFazio (D-OR) and Ranking Member Sam Graves (R-MO) expressed the desire of Democrats and Republicans to work on a bipartisan infrastructure package; however, they acknowledged that the one thing holding them back is disagreements over how to pay for it.

Witnesses at the hearing gave advice on how to approach funding for a giant infrastructure package. Minnesota Governor Tim Walz, a former Democratic lawmaker in the U.S. House, called on the federal government to give states flexibility, saying, "No single stream of revenue or approach to financing will address all the gaps. States need a comprehensive approach that allows for leveraging a variety of funding sources and flexibility to match the right tool with each project." Governor Walz campaigned on hiking state gasoline taxes in Minnesota to fix roads.

Former Republican Secretary of Transportation under the Obama Administration, Ray LaHood, recommended that the federal gas tax be raised, saying that "state and local officials have stepped up and made the hard choices by proposing legislation to increase the fuel tax. However, LaHood said, "when it comes to the gas tax, it is clear that as a long-term solution, it is not a sustainable source of revenue and other options must be further explored and tested. A number of states - most notably Oregon, California, Colorado and Washington - have moved forward with pilot programs to test the feasibility of replacing the gas tax with a charge based on the mileage," otherwise known as a Vehicle Miles Traveled (VMT). Ranking Member Graves is a proponent of a VMT because it would raise new revenue by ensuring that electric vehicles also pay for highway repairs, since they don't pay gasoline taxes.

Los Angeles Mayor Eric Garcetti recommended that the federal government look strongly at public-private partnerships, saying they "are a particularly good way to deliver ongoing performance, and they also allow the public sector to leverage private funding to help deliver projects sooner and more efficiently with performance guarantees." While rest area commercialization was not widely mentioned as a fix to pay for an infrastructure bill, Rep. Anthony Brown (D-MD) touted his state's commercialized rest areas on Interstate 95. 14 states allow rest areas to sell food, fuel and other services because they predated the federal ban on commercialization of rest areas.

The hearing occurred two days after President Trump spoke about the need for Congress to work on an infrastructure package but did not offer specifics during his State of the Union address. Chairman DeFazio said he was pleased that the President spoke about the need for an infrastructure package and urged the President to address the solvency crisis of the Highway Trust Fund (HTF), which currently finances most federal government spending for highways and mass transit through the collection of funds generated by federal gasoline and diesel fuel taxes. DeFazio added that a successful infrastructure package "will require massive effort from the White House, stakeholders, and supporters in Congress to get something real across the finish line."

### **HOUSE DEMOCRATS PROPOSE RETURNING TO OBAMA'S AUTO EMISSIONS STANDARDS**

On Tuesday Rep. Doris Matsui (D-CA) and 19 other House Energy and Commerce Committee Democrats introduced "The Clean and Efficient Cars Act." The bill would rollback greenhouse gas (GHG) emissions and codify the EPA vehicles emissions rules issued by the Obama administration in 2012. The Act would preserve the 2012 EPA and DOT rules, as well as prohibit the agencies from creating loopholes in the standards. Last year the Trump administration proposed freezing DOT efficiency standards after 2020 and dialing back EPA's emissions standards to match.

In October, PMAA submitted comments in support of the Department of Transportation's National Highway Traffic Safety Administration (NHTSA) and the EPA's Proposed Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021-2026 Passenger Cars and Light Trucks that would freeze CAFE standards and corresponding greenhouse gas standards at 2020 levels and revoke the rights of individual states to adopt more stringent emissions standards. The Democrats' bill will be included amid broader climate change legislation but is highly unlikely to advance in the Republican controlled Senate.

PMAA highlighted numerous reasons why current CAFE standards could impact petroleum marketers and how important the Trump Administration's proposed rule is needed:

- The proposed rule properly reflects the statutory factors that the Agencies must consider, including consumer acceptance, safety, technical feasibility, national security, and economic practicability.
- Current CAFE standards may lead to an increase in electric vehicle (EV) production which does not necessarily guarantee a CO2 footprint reduction given that EV power is likely to derive from traditional energy sources such as coal and natural gas.
- Aggressive CAFE standards set forth by the Obama Administration while maintaining requirements for ethanol volumes under the Renewable Fuel Standard (RFS) could potentially force higher ethanol blends into retail gasoline station underground storage tank systems that are not compatible with E10 plus blends.
- CAFE standards must be reduced to ensure that parties mandated to blend ethanol into gasoline under the Renewable Fuel Standard (RFS) can meet their blending obligations in a way that does not lead to gasoline price spikes at the pump.
- Petroleum marketers are placed at a competitive disadvantage when the utilities can use their rate base to pay for EV infrastructure expansion compared to small businesses petroleum marketers who must economically justify at risk investments in new equipment like EV charging stations.
- EV infrastructure expansion puts a financial burden on poor and middle-class consumers who must subsidize these EV charging stations operated by utilities but cannot afford EVs.

### **COMMITTEE APPROVES BILL THAT WOULD AUTHORIZE GOVERNMENT TO SUE OPEC FOR PRICE FIXING**

The House Judiciary Committee unanimously approved a bill (H.R. 948) Thursday that would allow the Justice Department to sue the OPEC oil cartel under antitrust laws. Versions of the "No Oil Producing and Exporting Cartels Act" (NOPEC) have been proposed for decades. The committee approved a version in 2018 but the bill never received a vote in the full House. Democrats and Republicans want to move the bill this year as they believe President Trump may support the Act.

NOPEC was introduced by Rep. Steve Chabot (R-OH) and co-sponsored by Judiciary Committee Chairman Jerry Nadler (D-NY). A similar bill was introduced in the Senate on Thursday by Republican Senator Chuck Grassley.

The NOPEC bill would explicitly authorize the Justice Department to bring lawsuits against oil cartel members for antitrust violations. It would clarify that neither sovereign immunity nor the "Act of State" doctrine prevents a court from ruling on antitrust charges brought against foreign governments for engaging in illegal pricing, production and distribution of petroleum products.

### **FIRST HEARING ON RAISING THE MINIMUM WAGE**

Speaker Nancy Pelosi (D-CA) and Education and the Workforce Committee Chairman Bobby Scott (D-VA) list raising the minimum wage as a top House priority for Democrats in this congress.

In January, Senator Bernie Sanders (I-VT) and Rep. Bobby Scott (D-VA) announced the Senate and House versions of the "Raise the Wage Act," which would raise the federal hourly wage to \$15 per hour by 2024. The current minimum wage of \$7.25 was set by Congress a decade ago, and the last increase (from \$5.15 to \$7.25 per hour in July 2009) was a tough win for Democrats. It was part of an Iraq supplemental spending bill signed by President George W. Bush. President Trump endorsed a \$10 hourly wage minimum near the end of his presidential campaign, but he has not shown interest since then, and it's doubtful that an increase would be approved by the Republican Senate.

PMAA along with many Republicans and business advocates have concerns that a high wage hike could cause hardships for some employers and that market should set wages, not the federal government.

## **PLAN TO ATTEND THE 2019 WPMAEXPO**



Mark your calendars for February 19-21, 2019. Make plans now to attend the 2019 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

# THANK YOU **WPMA EXPO** 2019 TOP SPONSORS

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## MARK YOUR CALENDARS FOR UPCOMING EVENTS

- February 19-21, 2019 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV
- April 23, 2019 – Idaho (IPM&CSA) Treasure Valley PAC Fund Golf Tournament, Nampa, ID
- May 2-3, 2019 – Nevada (NPM&CSA) – Big Dogs – Las Vegas, NV
- June 4-6, 2019 – Montana (MPMCSA) Convention – Fairmont Hot Springs Resort – Fairmont, MT
- June 20, 2019 – Utah (UPMRA) Summer Golf Classic - South Mountain Golf Course, Draper, UT
- June 17-20, 2019 – Washington (WOMA) Convention – Suncadia Resort, Cle Elum, WA
- August 5-7, 2019 – Idaho (IPM&CSA) Convention – Sun Valley Resort, Sun Valley, ID
- August 19-21, 2019 – New Mexico (NMPMA) Convention – Sandia Resort & Casino, Albuquerque, NM
- September 11-13, 2019 – Utah (UPMRA) – Convention – Zermatt Resort, Midway, UT

## WPMA MEMBER SERVICES



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**Petro Pete: "I prefer not to think before I speak. I like to be just as surprised as everyone else by what comes out of my mouth."**

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## CLASSIFIED ADS

### FOR SALE

2001 Kenworth T800 fuel truck and trailer with 2001 Onnen tanks. 12,800 gallons total capacity. \$82,000. Please call Guy or Justin at 208-765-2266 if interested.