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HOUSE OVERSIGHT COMMITTEE HOLDS HEARING ON RFS

On Wednesday, House Republicans criticized the RFS program, adding that EPA's control over the ethanol mandate program would be problematic. After 2022, when the statutory blending requirements provided to EPA by Congress come to an end, the Renewable Fuel Standard can then be controlled by EPA. Many of the House Republicans concerned with this situation oppose the RFS program outright.

The program has been under heavy scrutiny lately, especially by Republicans who believe the program isn't accomplishing its original purpose. In his opening statement, Congressman Jim Jordan (R-OH) said the RFS is a "classic example of what happens when you get a bunch of politicians together who think they're smarter than the marketplace." Even the Director of the EPA's Office of Transportation and Air Quality, Christopher Grundler, didn't make any statements supportive of the RFS policy but did provide information regarding the process in which the agency sets its fuel standards.

However, there was one witness who provided testimony indicating his support for the program. Wallace Tyner, a professor at Purdue University's Department of Agricultural Economics, stated that "so long as we continue to prefer the regulatory approach in lieu of a market-based carbon pricing approach," the RFS is an "appropriate" way to lower greenhouse gas emissions." His remarks were met with resistance from other politicians including Rep. Steve Russell (R-OK) who questioned Tyner on certain statistical data related to the RFS.

FINAL DOL MANAGER OVERTIME RULE EXPECTED IN APRIL

Earlier this week, the Department of Labor (DOL) sent its overtime rule to the Office of Management and Budget (OMB). The move was earlier than expected, probably because the DOL is trying to avoid what is known as the Congressional Review Act in which Congress has 60 days to review a rule before making a final decision on whether to approve or deny the rule. The timing of this is important because any regulation issued after May risks reversal of the rule by a Republican President.

The proposed rule would raise the salary threshold to \$50,440, guaranteeing almost all workers time and a half pay, which is more than double the current threshold. The Republican led Congress is attempting to prevent the proposed rule from becoming law.

PMAA has opposed the rule and will support legal and Congressional efforts to delay and/or kill the rule when it is finalized.

BILL INTRODUCED TO COMBAT OZONE STANDARDS

House Majority Leader Kevin McCarthy (R-CA) and Majority Whip Steve Scalise (R-LA) recently introduced H.R. 4775, the Ozone Standards Implementation Act of 2016 that would delay EPA's implementation of its ozone standard in states and completely exempt other areas from having to comply.

Industry groups, including PMAA, have argued that EPA's ozone standard is unattainable and will result in jobs losses. PMAA also opposed the lowering the ozone standard in written comments to the White House and will continue legislation such as this that will roll back the new ozone mandate, and others such as Rep. Bill Flores' (R-TX) bill, known as the "Ozone National ambient Air Quality Standard Deadline Harmonization Act," which will bring certainty to states and localities by allowing adequate time for implementation of the ozone standard and resulting air quality benefits.

BILL WOULD ELIMINATE FEDERAL PROGRAMS WITHOUT REAUTHORIZATION

Legislation introduced by Rep. Cathy McMorris Rodgers (R-WA) and embraced by the rest of the Republican leadership would eliminate federal programs that are past their expiration and have not been reauthorized in three years. Roughly a quarter of all federal programs would lapse including the FBI, the National Institutes of Health and NASA. H.R. 4730, The Unauthorized Spending Accountability (USA) Act of 2016 was introduced by Rep. Cathy McMorris Rodgers to restore the "power of the purse" to the American people, as outlined in Article I of the Constitution.

According to the Congressional Budget Office (CBO), authorization for 256 laws across every committee has expired. Congress funded more than \$300 billion (one-fourth of discretionary spending) to programs and agencies last year whose authority had lapsed.

Plans to move the legislation have already begun as the House Rules Committee is planning to hold a hearing in April on the authorization and appropriations process.

Although House Republicans are serious about advancing the bill, it is not likely to pass in the Senate.

FEDERATED INSURANCE – RISK MANAGEMENT CORNER

That Pain in Your Wallet Might be Caused by Insurance Fraud

Like the scene out of a movie, an “inside job” unfolds: A jewelry store owner makes the conscious decision to defraud his insurance company. Initially, the owner’s actions look legitimate: He submits a claim for a stolen ring, and supplies an invoice for the ring to his adjuster. His fatal error was substituting the ring’s real invoice with one that was more than \$10,000 over the ring’s actual value.

What the owner failed to take into consideration was his insurance company’s determination to fight fraud. In claims for theft, the insurance company verifies the reported value of the stolen property. What they discovered in this case resulted in felony insurance fraud charges against the store owner.

Victimless Crime?

Many people see insurance fraud as a victimless crime. After all, who’s really getting hurt—some big bucks insurance company that won’t even notice a few thousand dollars missing? Outwardly, it may seem impersonal. But, when the multiple layers of the effects of fraud are peeled away, the real victim is revealed: you. Costs related to insurance fraud are passed on to consumers through higher premiums.

Insurance companies take fraud very seriously. Employees are trained to prevent, detect, and eliminate fraud to protect policyholders, the public, and the company and its employees. Proven anti-fraud tactics lay the groundwork for a firm stance on eliminating fraud and prosecution of perpetrators.

Special Investigation Unit

Federated’s goal is to aggressively pursue individuals who have submitted fraudulent claims. Our Special Investigation Unit (SIU) reviews and investigates possible fraudulent claims across the country, involving federal, state, and local law enforcement and investigative agencies when necessary or required. It’s unfortunate fraud is a problem big enough to warrant a department devoted strictly to it. But, with education and action, the message that insurance fraud is a crime and will not be tolerated may eventually put the SIU out of business.

Help Wanted

Fraud can be committed at any type of business and comes in all shapes and sizes: arson, suspicious medical bills, a staged car accident or slip and fall incident, padded invoices...the list, unfortunately, goes on. The tactics are as varied as the perpetrators.

There’s no one better to stop fraud in its tracks than policyholders themselves. To report suspected insurance fraud of any kind, immediately contact your state’s fraud bureau or the insurance company. Depending on the type of fraud, you may also contact the following:

National Insurance Crime Bureau – 1-800-835-6422 (for suspected property/casualty, auto, homeowners, liability, and workers compensation fraud)

Medicare/Medicaid – 1-800-447-8477

Federal Crop Insurance – 1-800-424-9121

Medical providers – call your state’s medical board or chiropractic board

FEDERATED INSURANCE – HR QUESTION OF THE MONTH

TIME OFF DENIAL – LEGAL OR NOT?

Question: Our company has recently instituted a new policy for requesting time off when another employee is already scheduled off and/or an employee who covers for the new requester’s time off will be covering someone else and/or on vacation themselves consecutively with the new request. We have limited employees and only a few employees that cover for other employees. We have implemented that no two employees may be off at the same time and that all employees must review the vacation calendar prior to submitting a request for time off. All employees have access to the vacation calendar and it is updated each time a request has been approved. If an employee needs to request time off during either of those situations, we have requested that the employee provide a reason that they need off so that we can make a determination whether or not to approve the request.

We have one employee who refuses to provide a reason and is requesting time off when another employee is already scheduled to be off. The person who covers for the newly requesting employee is off on the day after she would be required to cover for the newly requesting employee if she was granted time off. She refuses to give a reason, just states, “it’s personal,” and therefore we have stated we could not approve the time off. We do not normally request a reason when employees request time off, only in this special circumstance do we ask a reason. We have been having many issues arise when we give two or more employees off at the same time in the past and have instituted this new policy as a way to avoid this issue in the future. All employees were notified of the change in December, prior to the institution of the change. Can we deny her request for a personal day if she does not provide a reason?

Response: We are not aware of any law prohibiting the employer from denying a vacation request under the circumstances you describe. You advise that the employer asks employees to disclose the reason for time off requests only when there

would be a resultant lack of coverage if the request is granted, which is something the employer is willing to allow only in emergent or other legitimate cases (and we trust this includes cases where the time off may be required by law, such as to accommodate a disability or sincerely held religious belief, or for jury, witness or military service, etc.). To the extent the employer's policy is clear on this issue (and you indicate that it is), and an employee is refusing to disclose the reason for her request, we are not aware of any law that requires the employer to grant it based only her assertion that "it's personal." Indeed the employer cannot ascertain from such a vague explanation whether the request for time off is protected by law, and where it is not (and the employee would need to let you know if it was), the employer is not required to grant the time off as requested pursuant to your company's policy (which you advise grants the employer some discretion here). The employer must ensure, though, that a time off denial in this situation is consistent with employer policy and practice to avoid discrimination concerns.

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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.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

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

May 3, 2016 - Idaho (IPM&CSA) Boise Ranch GC PAC Golf Outing – Boise, Idaho

May 19-20, 2016 – Nevada (NPM&CSA) Big Dogs Shootout – Red Rock Resort & Casino – Las Vegas, Nevada

June 7-9, 2016 – Montana (MPMCSA) Convention – Fairmont Hot Springs Resort – Butte, Montana

June 20-23, 2016 - Washington (WOMA) Convention - Suncadia Resort - Cle Elum, Washington

June 29, 2016 – Idaho (IPM&CSA) Magic Valley PAC Golf Outing – Blue Lakes Country Club, Twin Falls, Idaho

August 3, 2016 – Idaho (IPM&CSA) Circling Raven GC Pac Golf Outing - Coeur d'Alene, Idaho

August 3 – 5, 2016 - Idaho (IPM&CSA) Convention - Coeur d'Alene Resort - Coeur d'Alene, Idaho

August 22-24, 2016 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, New Mexico

August 26, 2016 – Hawaii (HPMA) Golf Tournament – Honolulu Country Club – Honolulu, Hawaii

September 14-16, 2016 - Utah (UPMRA) Convention - DoubleTree Hotel by Hilton - Park City, Utah

June 18-22, 2017 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

August 2-4, 2017 - Idaho (IPM&CSA) Convention – Sun Valley Resort, Sun Valley, Idaho

June 17-21, 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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WPMA MEMBER SERVICES



Petro Pete: "I entered ten puns in a contest, and I thought I would win, but unfortunately, no pun in ten did."

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HIRING – Executive Director for the MT Petroleum Marketers & C-Store Association

The MPMCSA is conducting a search for an Executive Director to manage the affairs of the State Association.

Position is as an independent contractor answering to the Board. Please go to the Montana home page, www.wpma.com/montana to download the job prospectus.