

April 17, 2020

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WP-04-17-20

WPMA COVID-19 - CRITICAL REFERENCES FOR MEMBERS

Please visit our web site for up-to-date information related to your business and the COVID-19 pandemic. You will find the link on our home page at www.wpma.com.

SBA'S COVID-19 EMERGENCY FUNDS EXHAUSTED, CONGRESS NEGOTIATES ADDITIONAL FUNDING

The Small Business Administration's (SBA) Economic Injury Disaster Loan (EIDL) program and the Paycheck Protection Program (PPP), both intended to get money swiftly to small businesses seeking emergency relief from the economic impact of the COVID-19 outbreak, have run out of funds. The SBA announced yesterday, that it is temporarily suspending new applications for both until Congress appropriates additional funding. The SBA said loan applications already filed will be processed on a first come first serve basis.

The SBA is instructing small businesses that Enhanced Debt Relief is available in agency's other business loan programs to help small businesses overcome the challenges created by this health crisis. For information on traditional SBA lending options, please [click here](https://www.sba.gov/partners/lenders/7a-loan-program/types-7a-loans). (<https://www.sba.gov/partners/lenders/7a-loan-program/types-7a-loans>)

Last month, Congress appropriated \$349 billion in funding for the PPP and \$10 billion for the EIDL program. While the PPP payouts have been processed relatively quickly through third party lenders, the EIDL emergency loan program, administered directly by the SBA is experiencing lengthy delays due to the sheer volume of applications and lack of administrative resources to process them. The SBA allocated \$7.3 billion to EIDL but has received \$372 billion in emergency relief applications from small businesses seeking \$10,000 grants for immediate expenses and up to \$2 million in emergency low interest loans. Congress included a provision in the CARES Act requiring completion of processing and payout of the \$10,000 emergency grants within three days of receiving applications. However, many applicants are still waiting for their SBA money three weeks after filling.

Meanwhile, an effort to provide an additional \$250 billion for the PPP stalled this week over whether hospitals, food assistance and state and local governments should also receive extra funding. Furthermore, about 100 members of Congress signed a letter yesterday to SBA Administrator Jovita Carranza saying that they would strongly back a request for more funding. Lawmakers have been in recess to avoid further spread of the virus through large groups and are not expected to return until May 4th. Fortunately, Congress can approve a new COVID-19 response bill before May 4th through unanimous consent meaning that no lawmaker objects to the bill. Given that there is strong bipartisan support for the PPP, a breakthrough in negotiations is likely.

PMAA and the Small Business Legislative Council (PMAA) sent a letter today to House and Senate leadership urging them to approve additional PPP funding immediately. [Click here to read the letter](https://www.pmaa.org/pdfs/SBLC_PPP_Additional_Funding_Letter.pdf). (https://www.pmaa.org/pdfs/SBLC_PPP_Additional_Funding_Letter.pdf)

EXEMPTION TO EXTEND THE EXPIRATION DATE OF CERTAIN TRANSPORTATION WORKER IDENTIFICATION CREDENTIALS

The Transportation Security Administration (TSA), DHS, is granting a temporary exemption from requirements in 49 CFR part 1572 regarding the expiration of certain Transportation Worker Identification Credentials (TWICs). For the duration of this exemption, TSA will extend the expiration date of TWICs that expired on or after March 1, 2020, by 180 days.

[Click here for the full regulatory alert](https://www.pmaa.org/regulatoryreport/archives/2020/rr_04_15_20.html). (https://www.pmaa.org/regulatoryreport/archives/2020/rr_04_15_20.html)

SBA ISSUES GUIDANCE ON FRANCHISE ELIGIBILITY FOR PAYCHECK PROTECTION PROGRAM

The U.S. Small Business Administration (SBA) has issued additional guidance this week on the Paycheck Protection Program (PPP) designed to help small businesses keep employees on the payroll. The guidance is important for any petroleum marketer involved in a franchise/franchisee affiliation.

The PPP authorizes up to \$349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis. All loan terms are the same for everyone. The loan amounts will be forgiven as long as (1) the loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 8-week period after the loan is made; and (2) Employee and compensation levels are maintained. Payroll costs are capped at \$100,000 on an annualized basis for each employee. Not more than 25% of the forgiven amount may be for non-payroll costs.

What's new?

Franchise Eligibility for the PPP Program - The Q&A guidance document explains how the \$10 million cap and affiliation rules under the PPP apply to small business franchisees. According to the guidance, if a franchise is listed in SBA Franchise Directory, then each of its franchisees meeting the applicable SBA size standard for its category can apply for its own PPP loan. This means that the \$10 million cap on PPP loans is a limit on a per franchisee entity basis. Each qualifying franchisee is limited to one PPP loan. The guidance further explains that franchise brands not listed in the SBA Franchise Directory because of affiliation between franchisor and franchisee, may request listing to receive PPP loans. However, the SBA will not apply affiliation rules to a franchise brand requesting listing on the Directory to participate in the PPP, but SBA will confirm that the brand is otherwise eligible for listing on the Directory.

Furthermore, PMAA, NACS, SIGMA and NATSO sent a letter this week to Congressional leadership urging them to allow convenience stores and gas stations with more than 500 employees per location to take advantage of the PPP.

FIVE STATES ASK PRESIDENT TRUMP FOR BIOFUEL BLENDING WAIVERS

This week, governors from five states requested that President Trump grant the nation's refineries a waiver from biofuel blending requirements under the RFS due to the COVID-19 pandemic. The governors argued that demand for oil has been very low and, on top of that, blending biofuels only adds to refineries' costs. Furthermore, the governors argued that reaching the biofuel targets under the RFS are not feasible given the current prices for Renewable Identification Numbers (RINs).

The letter, addressed to EPA Administrator Andrew Wheeler and signed by four governors, states, "As our country comes to grips with this national emergency, continuing to implement the current (biofuel requirements) imposes an added obligation that would 'severely' harm the sector, and consequently harm the economy of the States and the Nation." The letter was signed by the governors of Oklahoma, Texas, Utah and Wyoming.

Click [here](https://www.pmaa.org/weeklyreview/attachments/Biofuel_Waivers_Letter_0420.pdf) (https://www.pmaa.org/weeklyreview/attachments/Biofuel_Waivers_Letter_0420.pdf) to view the letter. Additionally, Louisiana also sent a letter of its own to President Trump with a similar request last week.

Meanwhile, the American Fuel and Petrochemical Manufacturers (AFPM) issued a blog titled, "Correcting the Record on RFS General Waivers and Severe Economic Harm Amid COVID-19," that defended the Governors' move to reduce the corn ethanol mandate.

USDA UNDER PRESSURE TO ALLOW ONLINE DELIVERY SALES FOR SNAP

Many lawmakers and nonprofits are advocating for the United States Department of Agriculture (USDA) to allow SNAP beneficiaries to shop for groceries online and have them delivered during the COVID19 pandemic. Currently, only six states allow online purchases of food with SNAP benefits through a USDA pilot program, but that number may soon grow due to the COVID-19 health crisis. New York, Washington, Alabama, Iowa, Oregon and Nebraska allow online SNAP purchases, and the USDA is working with more states to allow it.

A large portion of SNAP beneficiaries are elderly or disabled, two groups that are at increased risk of contracting the virus, so lawmakers have been working with the USDA to allow online SNAP purchases. The USDA has said that it is working with states to allow online delivery sales of food through the SNAP program, although it may take some time. A USDA spokesperson said that it will likely be a lengthy process, saying, "Each state, its EBT processor, and potential retailers present their own mix of challenges." There is also an increased risk of fraud and improper payment associated with online purchases, but the USDA says it is working with states to find solutions. In the states that are participating in the pilot program, SNAP beneficiaries are often limited to making purchases through two major retailers, Walmart, and Amazon. However, the USDA has said that it is working on a plan to accept additional retailers that can handle secure processing of EBT cards.

As the number of people applying for SNAP benefits continues to increase due to the health pandemic, lawmakers on Capitol Hill are seeking to provide a 15 percent increase in funding for the program in the next coronavirus relief package.

FEDERAL RESERVE LAUNCHES MAIN STREET LENDING PROGRAM

Recently, the Federal Reserve announced that it is establishing the Main Street Lending Program (MSLP) designed to support small and mid-sized business businesses that were in good standing before the COVID-19 pandemic. The MSLP will operate through two facilities: the Main Street New Loan Facility (MSNLF) and the Main Street Expanded Loan Facility (MSELF).

Businesses are eligible for loans if they meet either of the following conditions: (1) the business has 10,000 employees or fewer; or (2) the business had 2019 revenues of \$2.5 billion or less. Loans would have a four-year maturity, and principal and interest payments on the loans will be deferred for one year. Banks will retain a 5 percent share, selling the remaining 95 percent to the Main Street facility, which will purchase up to \$600 billion of loans.

[Click here](https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200409a7.pdf) for the initial term sheets governing the origination of new loans (MSNLF).
(<https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200409a7.pdf>)
[Click here](https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200409a4.pdf) for the expanding in size of existing loans (MSELF).
(<https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200409a4.pdf>)

Meanwhile, the Federal Reserve on Thursday announced that its Paycheck Protection Program Liquidity Facility (PPPLF) is fully operational and available to provide liquidity to eligible financial institutions, which will help support small businesses. For more information, [click here](https://www.frbdiscountwindow.org/generalpages/emergency%20credit%202020).
(<https://www.frbdiscountwindow.org/generalpages/emergency%20credit%202020>)

NATIONAL TANK TRUCK CARRIERS URGE CONGRESS TO GIVE HAZARD PAY FOR THEIR WORKERS

The National Tank Truck Carriers (NTTC) and The International Liquid Terminals Association (ILTA) urged Congress on Wednesday to include a proposed “heroes fund” that would give essential workers making less than \$200,000 up to \$25,000 per year in hazard pay in the next COVID19 stimulus package. “Without the continued work performed by these operations professionals, the fuel required to move critical supplies and people – including essential workers in other industries – would become unavailable,” wrote the groups. The proposed fund would give funding to eligible employers who could then give payment to workers.

IRS ANNOUNCES TEMPORARY PROCEDURES TO FAX CERTAIN FORMS 1139 AND 1045 DUE TO COVID-19

In response to the COVID-19 Pandemic and to implement the following provisions of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the IRS is implementing temporary procedures for digital transmission of Form 1139 and Form 1045 to claim quick refunds of the credit for prior year minimum tax liability of corporations and net operating loss deductions. The CARES Act allows businesses and individuals to carry back NOLs arising in 2018, 2019 and 2020 to the five prior tax years and accelerates the refunds of previously generated corporate alternative minimum tax (AMT) credits.

MEMBERS AND ASSOCIATES - YOU CAN CONTRIBUTE!

WPMA welcomes industry-related articles for publication in the WPMA News magazine. All members and associate members of WPMA are eligible to submit items for publication. Articles will be included as space allows, and no self-promoting articles or editorials will be accepted. WPMA reserves the right to edit and make adaption of such contributions to accommodate the magazine’s space and style. Please submit articles or content to Jan Roothoff, WPMA Administration/IT Director at janr@wpma.com, or mail to Jan Roothoff, Western Petroleum Marketers Association, PO Box 571500, Murray, UT 84157-1500. Submissions for the Summer edition of WPMA News magazine are due before April 30th. Later submissions will be considered for the Fall issue.

WPMA EXPO

February 16-18, 2021. The Mirage Las Vegas, Nevada.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

May 7-8, 2020 – Nevada NPM&CSA – Big Dogs - Las Vegas, NV
June 2-3, 2020 – Montana MPMCSA – Convention – Fairmont Hot Springs Resort – Fairmont, MT
June 22-25, 2020 – Washington (WOMA) – Convention – Suncadia Resort – Cle Elum, Washington
July 19-21, 2020 - Oregon (OFA) Conference, Sunriver Resort, Sunriver, OR
August 5-7, 2020 – Idaho (IPM&CSA) Convention – Coeur d’ Alene Resort – Coeur d’ Alene, Idaho
August 17-19, 2020 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, NM
September 9-10, 2020 – Utah (UPMRA) – Convention – Park City Marriott – Park City, Utah
September 15-17, 2020 - Federated Insurance Risk Management Academy
October 1-2, 2020 – Nevada NPM&CSA – Big Dogs - Las Vegas, NV
November 2, 2020 – Hawaii (HPMA) Golf Tournament – Oahu Country Club – Honolulu, HI
February 16-18, 2021 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV

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Petro Pete: “Does refusing to go to the gym count as resistance training?”

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If you do not wish to receive information via fax or e-mail, please contact WPMA at: (801) 263-9762, Fax: (801) 262-9413, or e-mail: janr@wpma.com. Thanks.