

April 26, 2019

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**ANNUAL HAZMAT REGISTRATIONS FOR 2019-2020 REGISTRATION YEAR DUE JULY 1**

**BACKGROUND:** The U.S. DOT's Pipeline and Hazardous Material Safety Administration (PHMSA) requires hazardous material transporters to register and pay a fee each year in return for a certificate of operation. PHMSA began mailing the 2019-2020 registration information to HAZMAT transporters earlier this month. Only those with expiring DOT PHMSA HAZMAT registration certificates must re-register before July 1, 2019 or risk losing authority to operate and pay substantial civil penalty.

PMAA members should check their HAZMAT certificate for the expiration date as multiple year reservations are offered and 2019 may not be your expiration date. The validity of HAZMAT registration certificates is checked at roadside inspections.

**NEW REPORT INDICATES WORKFORCE DRUG USE INCREASING**

The rate of U.S. general workforce drug positivity hit a 14-year high in 2018, according to a new drug testing analysis released April 11 by Quest Diagnostics. Positivity rates in the combined U.S. workforce increased nearly 5 percent in urine drug tests, from 4.2 percent in 2017 to 4.4 percent in 2018, climbing to the highest level since 2004 (4.5 percent). They now are more than 25 percent higher than the 30-year low of 3.5 percent recorded each year from 2010-12. The Quest analysis of workforce drug positivity is based on more than 10 million U.S. drug tests in 2018. The data does not specifically break down drug testing for truck drivers. The Quest data also show:

- Increases in marijuana positivity across nearly all employee testing categories.
- Increases in post-accident test positivity for on-duty incidents in the general U.S. workforce, outpacing those for all other testing reasons, including pre-employment screening.
- The rise in urine specimens reported as invalid suggests more efforts to "cheat the test." The positivity rates for drug testing done with hair samples was significantly higher for the general U.S. workforce than for urine tests, according to Quest. For 160,000 drug tests using hair samples, the positivity rate was 10.9 percent in 2018, up from 10.3 percent in 2017. "Our in-depth analysis shows that marijuana is not only present in our workforce, but use continues to increase," Barry Sample, senior director of science and technology for Quest, said in a statement.

***Marijuana***

Marijuana continues to top the list of the most commonly detected illicit substances across all workforce categories, including CDL drivers with HAZMAT endorsements. The rate of marijuana positivity increased in nearly all workforce categories. In the general U.S. workforce, marijuana positivity increased nearly 8 percent in urine testing (2.6 percent in 2017 versus 2.8 percent in 2018) and almost 17 percent since 2014 (2.4 percent). For the safety-sensitive workforce including CDL drivers with HAZMAT endorsements, marijuana positivity grew nearly 5 percent between 2017 (0.84 percent) and 2018 (0.88 percent) and nearly 24 percent since 2014 (0.71 percent).

***Opiates***

In the general U.S. workforce, the positivity rate for opiates in urine drug testing declined across all opiate categories. Among the general workforce screening for opiates (mostly codeine and morphine), positivity declined nearly 21 percent between 2017 and 2018 (0.39 percent versus 0.31 percent), the largest drop in three years and a nearly 37 percent decrease since the peak in 2015 (0.49 percent). In the safety-sensitive workforce including CDL HAZMAT drivers, positivity for post-accident urine testing jumped more than 51 percent year over year (3.1 percent in 2017 versus 4.7 percent in 2018) and increased by nearly 81 percent between 2014 and 2018. The jump in 2018 was largely driven by the addition of prescription opiates to the FMCSA drug testing panel, where the post-accident positivity for the semi-synthetic opiates (hydrocodone and/or hydromorphone) and for oxycodone (oxycodone and/or oxymorphone) was 1.1 percent and 0.77 percent, respectively.

Post-accident positivity in the general U.S. workforce climbed 9 percent year over year, from 7.7 percent in 2017 to 8.4 percent in 2018, and 29 percent over five years. The post-accident positivity rate has risen annually since 2011 in the general U.S. workforce and since 2010 in the federally mandated, safety-sensitive workforce, including CDL drivers with HAZMAT endorsements.

Increases in post-accident positivity among safety-sensitive workers, including CDL drivers with HAZMAT endorsements, strongly indicate to employers that employee drug use may increase the risk of workforce accidents or injuries. Quest representatives said the analysis suggests that employers committed to creating a safe, drug-free work environment should incorporate strategies that monitor drug use above and beyond pre-employment drug screening. Between 2015 and

2017, the transportation and warehousing sector experienced the largest overall positivity increase of any sector, in large part due to significant increases in cocaine and marijuana positivity. Year over year cocaine positivity increased more than 22 percent from 2015 to 2017 (0.22 percent in 2015, 0.25 percent in 2016 and 0.27 percent in 2017). Marijuana positivity increased by more than 33 percent over the same time frame, according to Quest.

### **NATURAL GAS COULD RECEIVE JONES ACT WAIVER FROM THE TRUMP ADMINISTRATION**

This week, Bloomberg News reported that President Trump is considering waiving the Jones Act to allow foreign vessels to transport liquified natural gas (LNG) to Puerto Rico and the Northeast. According to sources in an Oval Office meeting on Monday, Larry Kudlow, the director of the National Economic Council, pushed for waiving the Jones Act while Trump trade adviser Peter Navarro and Transportation Secretary Elaine Chao argued to maintain the Jones Act.

Signed into law by President Woodrow Wilson in 1920, the Jones Act regulates maritime commerce in U.S. waters and between U.S. ports. This nearly 100-year-old law requires that all goods transported between U.S. ports be carried in U.S. owned ships, built and registered in the U.S., and manned by U.S. citizens. The Jones Act was temporarily waived from September 1 to September 19, 2005 following Hurricane Katrina's landfall which allowed foreign vessels to carry crude oil between U.S. ports. In the summer of 2011, President Barack Obama waived the Jones Act to accelerate crude oil and refined product shipments to the U.S. due to the Libyan uprising causing the loss of over two million barrels of crude oil supply. In 2017, President Trump issued a 10-day waiver to the Jones Act for Puerto Rico in order to speed recovery following Hurricane Maria, as he did for Texas and Florida following the devastation caused by Hurricanes Harvey and Irma.

PMAA has supported efforts in the past to repeal the Jones Act which could bring more competitively priced refined products to consumers. However, waiving the Jones Act only for natural gas would lead to an unlevel playing field in the marketplace. PMAA argues that if the Jones Act is waived, it should include both petroleum and refined petroleum products.

### **MINIMUM WAGE BILL WOULD COST \$48 BILLION ANNUALLY**

This week, the Congressional Budget Office (CBO) released an analysis of Rep. Bobby Scott's \$15 minimum wage "Raise the Wage Act," which shows the Act would cost private businesses \$48 billion a year and that state and local governments would have to pay an additional \$3 billion to workers each year.

In March, the House Education and Labor Committee voted along party lines to pass the Democratic bill, H.R. 582, that would phase in over five years an increase to the hourly federal minimum wage to \$15, up from the current \$7.25, and would index future hikes to inflation. The Act would also eliminate existing lower minimums for tipped workers, workers with disabilities and workers under the age of 20.

The bill is expected to be passed by the Democratic-controlled House. Speaker Nancy Pelosi (D-CA) and Education and the Workforce Committee Chairman Bobby Scott list raising the minimum wage as a top House priority for Democrats this Congress. 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 the Raise the Wage Act 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 or state and local governments should set wages, not the federal government. Twenty-nine states and Washington, D.C. have minimum wages higher than the federal \$7.25.

### **D.C. CIRCUIT COURT OF APPEALS DENIES REQUEST TO EXPAND NE OZONE TRANSPORT REGION**

Because EPA can use "good neighbor" control requirements and Section 126 controls petitions to combat upwind pollution, this week the D.C. Circuit Court of Appeals upheld EPA's decision to deny a request to expand the Northeast Ozone Transport Region (OTR) to include nine more states.

The OTR states want to expand the region to include Illinois, Indiana, Kentucky, Michigan, North Carolina, Ohio, Tennessee, West Virginia and the parts of Virginia that are not already in the OTR, but the EPA's ruling and this week's Circuit Court ruling will not allow for that expansion.

If the request were to be granted, it would require the states to further reduce ozone-related pollution within their borders, even if they already meet national air quality standards.

### **U.S. REPRESENTATIVE GREG PENCE TO ADDRESS PMAA'S SPRING DC CONFERENCE**

PMAA is pleased to have Rep. Greg Pence (IN) address petroleum marketers attending PMAA's DC Conference and Day on the Hill during the Board of Directors Meeting on May 10 from 10:00am to 10:15am.

U.S Representative Greg Pence represents Indiana's 6th District, where he lives with his wife Denise in Columbus. He is a proud husband, father, grandfather, Marine officer and small businessman who will ensure Indiana's 6th District continues its strong tradition of leadership in Congress.

Joining the Marine Corps in 1979 in his hometown of Columbus, Pence considers his role in Congress as a new opportunity to serve the community, state, and country that he loves. Pence understands that the 6th District needs a leader who will prioritize constituents and ensure Hoosiers always have a seat at the table.

Pence serves on the House Transportation & Infrastructure Committee, and the House Committee on Foreign Affairs in the 116th Congress. "My priorities will always include job creation, economic growth, and the protection of our conservative values in Washington," Pence said.

PMAA looks forward to hearing Rep. Pence's perspectives and to the Q & A that will follow his presentation.

## PLAN TO ATTEND THE 2020 WPMAEXPO



Mark your calendars for February 18-20, 2020. Make plans now to attend the 2020 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

### MARK YOUR CALENDARS FOR UPCOMING EVENTS

- 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
- October 14, 2019** - Hawaii (HPMA) - Golf Tournament - Oahu Country Club, Honolulu, HI
- February 18-20, 2020** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV

### WMI MUTUAL INSURANCE MEDICARE SEMINAR

When: Wednesday May 1<sup>st</sup>

Time: 6 pm to 7 pm

Where: Golden Corral 225 W. University Pkwy.

Meal provided by WMI

RSVP Rhett 801-747-2862

### WPMA MEMBER SERVICES



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**Petro Pete: "There is no key to happiness. The door is always open. Come on in."**

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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.

### MARKETING DIRECTOR OF CONVENIENCE STORES

Story Distributing Company a "Premiere MT Petroleum Distributor", located in Bozeman, MT is seeking a Marketing Director of Convenience Stores to manage all aspects of the company seven top ranking Convenience Stores. Call Donna at 406-587-0702 or send resume to [DonnaM@StoryDist.com](mailto:DonnaM@StoryDist.com).