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PMAA FILES COMMENTS WITH EPA ON PROPOSED YEAR-ROUND SALE OF E15 AND RIN MARKET REFORMS

On Monday, PMAA filed comments on the EPA's proposed rule to allow the year-round sale of E15 blended gasoline and reform RFS RIN trading practices that aims to reduce volatility and increase transparency in the RIN market. Specifically, PMAA expressed opposition to the agency's proposal to extend the one-pound RVP waiver for E15 because it could potentially lead to an E15 mandate, which would harm the petroleum marketing industry. PMAA explained that most existing UST system components are only certified to E10 maximum blends. Typically, components other than the tank itself (piping, joints, connectors, gaskets, dispensers) are not compatible with E10 plus blends. PMAA also expressed the opinion that only Congress through the legislative process can extend the waiver to E15 and not the EPA through rulemaking.

Meanwhile, PMAA wrote in support of the four proposed RIN reforms the agency is contemplating. Proposed RIN reforms include:

- Prohibiting certain parties from being able to purchase separated RINs,
- Requiring public disclosure when RIN holdings exceed specified thresholds,
- Limiting the length of time non-obligated parties can hold RINs, and
- Increasing the compliance frequency of the program from once annually to quarterly.

PMAA told the EPA that the reforms could provide for a level playing field in the motor fuels marketplace by banning Wall Street commodity brokers from participating in RINS trading. Also, disclosure when a party exceeds specific RINs holding thresholds would bring transparency to RIN trading and expose attempted hoarding. Limiting the length of time separated RINs can be held and traded would spread RINS trading more evenly throughout the compliance year and prevent hoarding of RINS by traders until times of peak demand. The EPA is fast tracking the proposed rule to have it completed before the summer driving season.

PMAA SUBMITS COMMENTS ON FDA DRAFT GUIDANCE TARGETING FLAVORED E-CIGARETTE SALES

This week, PMAA submitted comments in response to the Food and Drug Administration's (FDA) draft guidance issued in March that would effectively ban flavored e-cigarette sales in convenience stores. Under the draft guidance, stores would continue to be able to sell tobacco, mint and menthol flavored e-cigarette products but would not be able sell other flavored products unless minors are prohibited from entering the stores or those products are sold in a separate section of the store that minors are prohibited from accessing. At the same time, however, vape shops and online retailers would continue to be allowed to sell these products. Additionally, the draft guidance would ban sales of many flavored cigars. PMAA strongly opposes the draft guidance and has asked the FDA to withdraw it.

The FDA will now begin reviewing all the comments and determine whether to proceed with finalizing the guidance. This review process could take several months for the agency to complete and issue any final decision on the guidance.

SENATORS INTRODUCE BIPARTISAN BILL TO CRACK DOWN ON ONLINE SALES OF E-CIGARETTES TO MINORS

This week, Sens. John Cornyn (R-TX), Diane Feinstein (D-CA) and Chris Van Hollen (D-MD) introduced the "Preventing Online Sales of E-Cigarettes to Children Act" (bill number not yet available) that would prohibit online sales of e-cigarettes to minors by applying the same safeguards already in place for regular cigarettes and smokeless tobacco products. The bill amends the "Prevent All Cigarette Trafficking Act (PACT Act)" to also include e-cigarettes in the definition that already includes cigarettes.

- Specifically, the bill would require online retailers of e-cigarettes to:
- Verify the age of customers for all purchases.
- Require an adult with ID to be present for delivery.
- Label shipping packages to show they contain tobacco products.
- Comply with all state and local tobacco tax requirements.

PMAA fully supports this legislation.

TRUMP APPEARS TO REVERSE COURSE ON POTENTIALLY WAIVING THE JONES ACT FOR NATURAL GAS

According to two senators present at an Oval Office meeting on infrastructure this week, President Trump indicated that he would not move forward with waiving the Jones Act which would have allowed foreign vessels to transport liquified natural gas (LNG) to Puerto Rico and the Northeast. The two Senators who argued in favor of maintaining the Jones Act were Sens. Dan Sullivan (R-AK) and Bill Cassidy (R-LA). Just last week, President Trump said he was considering granting the Jones Act waiver with Larry Kudlow, the director of the National Economic Council, arguing in favor while Trump trade adviser Peter Navarro and Transportation Secretary Elaine Chao arguing against the move.

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 petroleum and refined petroleum products.

LABOR SECRETARY OPPOSES FEDERAL MINIMUM WAGE INCREASE

On Wednesday, Labor Secretary Alexander Acosta told House Education and Labor Committee Chairman Bobby Scott (D-Va.), that a federal minimum wage increase would burden states that haven't increased their minimums above the federally mandated floor of \$7.25 an hour. "Three-fifths of the states have passed a minimum wage that exceeds the federal level," Acosta said in testimony to the Committee. "It's our view that a federal minimum wage would be those three-fifths of the states imposing a cost structure on the remaining two-fifths of states that have chosen not to increase the minimum wage above the federal level." Asked whether he opposes the concept federal minimum wage altogether, Acosta said, "We do not support a change to the federal minimum wage at this time."

Acosta's comments follow the Congressional Budget Office (CBO) analysis regarding 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.

Twenty-nine states and Washington, D.C. have minimum wages higher than the federal \$7.25.

PRESIDENT TRUMP MEETS WITH DEMOCRATIC LEADERS TO DISCUSS INFRASTRUCTURE

On Tuesday, Senate Minority Leader Chuck Schumer (D-NY) and Speaker of the House Nancy Pelosi (D-CA) met with President Trump at the White House to discuss infrastructure. Apparently, both sides agreed to spend \$2 trillion to fix the nation's crumbling infrastructure. But the big question that was not answered was how to pay for it.

In advance of the meeting, Schumer said that he wouldn't consider raising the gas tax unless President Trump were to agree to repeal parts of the 2017 tax overhaul legislation. This is a non-starter with the GOP. President Trump hasn't publicly backed a gas tax increase, but he has said that he would be open to a gas tax increase of up to 25 cents per gallon behind closed doors. PMAA has argued that all vehicle owners and operators, no matter what fuel type they choose, including electric vehicles, should pay their fair share for road maintenance and repair.

In other infrastructure news, NATSO, PMAA and like-minded associations sent a letter to the House Committee on Transportation and Infrastructure on Tuesday to oppose efforts to commercialize Interstate rest areas as they consider infrastructure legislation this year. In the letter, the groups said that while they understand the budget challenges that many states face and the need for more infrastructure revenue, proposals that would allow the private sector to operate interstate rest areas are counter-productive. The letter underscores the negative affect that commercial rest areas would have on small businesses located off interstate highways.

SNAP ONLINE PURCHASING PILOT

Under a new two-year test pilot that was launched recently in New York State, SNAP participants will be able to select and pay for their groceries online. Online retailers will be limited to delivery in the pilot areas in New York only. SNAP participants will be able to use their benefits to purchase eligible food items but will not be able to use SNAP benefits to pay for service or delivery charges.

The 2014 Farm Bill authorized USDA to conduct and evaluate a pilot for online purchasing prior to national implementation. The pilot phase is intended to ensure online transactions are processed safely and securely. USDA anticipates all eligible and interested retailers who can meet the requirements to process online SNAP transactions will eventually be able to take part, though the timeline is dependent on the progress of the pilot and any regulations which may need to be issued.

Amazon, Walmart and ShopRite will participate in the initial pilot. ShopRite and Amazon are providing service to the New York City area and Walmart is providing online service in upstate New York locations.

The convenience store industry could be impacted by this pilot program since SNAP recipients may be enticed to purchase necessities online. According to NACS, the c-store industry represents 45 percent of all retail outlets authorized to accept SNAP benefits which are traditionally the only establishments easily accessible by walk-in or public transport in low-income areas.

APRIL 2019 PMAA SMALL BUSINESS COMMITTEE (SBC) PAC CONTRIBUTIONS

PAC Co-Chairs Brad Bell and Tim Keigher are grateful for the PMAA Small Business Committee (SBC) PAC contributions from the following individuals during the April 1-30, 2019 time frame:

Connecticut: David Foster

Louisiana: Justin Alford, Darrell Amar Jr., Brett Broussard, Jack Casanova, Wes Loflin, Les Lowery Jr., Frank Marcello, Ali Momenzadeh, Hugh Raetzsch, Nick St. Romain, Eric Teasley, Al Waguespack, Allie Waguespack, Andree Waguespack, Danny Wright

Maine: Mike Estes

Michigan: Larry Galgoci, Craig Hoppen, Kelly Lappinga, Scott Miller, Dennis McCarthy, William McCarthy, Daniel Pohl, Paul Schmuckal, Jon Shaer, Scott Vandersea

Mississippi: Matt Bogue, David Burns, Stanley Roberts

NECSEMA: Russell Barton, Steven Charron, Thomas Frawley, Raymond Leather, John R. Nelson, Edward Rachins, Christopher Riley, Jon Shaer, Scott Vandersea, Alexander Weatherall, Mark Yiatras

NEFI: Mike Estes

South Carolina: Dennis Curtis Sr., Matthew Greene

Utah: Blain Boelter, Brad Randall

Wisconsin: Paul Bhardwaj, Tim Cullen, Michael Davis, Meredith Hager, Ryan Harrigan, Cory Kuchenbert, Brian Saunders, Sarah Sklamberg, Tim Stephen, Phil Wittman

FEDERATED INSURANCE EMPLOYMENT PRACTICES NETWORK HR QUESTION OF THE MONTH

Federated Insurance's HR Question of the Month focuses on employment-related practices liability issues. This month's question is: Establish Workplace Safety/Weapons Policy?

Our company does not have a specific safety in the workplace or weapons policy; is it advisable that we establish one?

For additional information or to discuss this in further detail, please contact your Federated regional representative or PMAA's National Account Executive Jerry Leemkuil at 800.533.0472. Federated is a PMAA Corporate Platinum Partner.

THE LIST OF PMAA SILENT AUCTION ITEMS IS GROWING!

PMAA Small Business Committee (SBC) PAC Co-Chairs Brad Bell and Tim Keigher thank Peter Kreuger and the Nevada Petroleum Marketers & CSA, Gene Inglesby and the Western Petroleum Marketers Association, Kris DeLair and the Empire State Energy Association, Inc., Brian Clark and the Kentucky Petroleum Marketers Association (KPMA) for another donation, Emily LeRoy and the Tennessee Fuel & Convenience Store Association (TFCA), Paul Hardin and the Texas Food and Fuel Association for donating to the 2019 PMAA SBC PAC Silent Auction!

Brian Clark and KPMA donated two additional items for the auction this week! This week they donated a Woodford Reserve Lamp & an Elmer T. Cigar ashtray which are a great idea for the bourbon and cigar enthusiast alike. The Woodford lamp is handmade, one of a kind item and the Elmer T. Lee Bourbon ashtray is cut from a reclaimed Elmer T. Lee Bourbon bottle, these items are sure to complement any area where cigars are enjoyed.

Emily LeRoy and TFCA donated Judith Bright Cleo Chrysoprase Hoop earrings. Bright's mission is to produce beautiful handmade jewelry with a soul. Her passion is to create pieces that women will love and joyfully wear every day. This beautiful handmade chrysoprase hoop earrings are 14 karat gold-filled and they are made to be worn with almost anything.

Paul Hardin and the Texas Food and Fuel Association donated a dash cam video recorder for cars. The dash cam has a 170-degree wide angle lens that allows a larger viewing angle to be recorded, and includes night vision and motion detection. The camera recorder can provide insurance claims to prevent dispute and the most reliable, safest and best dash cam experience when driving.

Kris DeLair and the Empire State Energy Association donated a Bose SoundLink Revolve. The SoundLink is one of the best performing portable Bluetooth speakers yet. It delivers true 360-degree sound for consistent, uniform coverage. Bose has a set standard for excellence, and you will experience a level of performance that will keep you listening all day. It's meant to go where you go.

Peter Kreuger and the Nevada Petroleum Marketers & CSA donated a Coach Hobo Bag and a Coach wallet. The bag is made of refined pebble leather, with inside cell phone and multifunction pockets, zip-top closure, fabric lining, outside zip pocket, handle with 8 3/4" drip, and detachable strap with 15 1/4" drop for shoulder wear. The Coach leather wallet is made of cross-grain leather, with twelve credit card and multifunction pockets, a full-length bill compartment zip coin pocket, outside open pocket, and zip-around closure.

Gene Inglesby and the Western Petroleum Marketers Association donated a \$300 gift card to Maui Jim Stores or website to purchase sunglasses, accessories or apparel. Maui Jim roots started in 1980 when Jim Richards a fisherman began selling sunglasses on the beaches of Maui, Hawaii.

The Auction will take place next week in conjunction with PMAA's Washington Conference on May 8 during the welcome reception. If you have items that you would like to contribute for the Silent Auction, please contact Sabrina Pitcher at 703-351-8000.

APRIL 2019 CONTRIBUTORS TO PMAA MDF

PMAA's Marketer Defense Fund wants to thank the following individuals for their Marketer Defense Fund (MDF) contributions during the April 1- 30, 2019 timeframe:

California: Steven Lansdowne

Indiana: Trout Moser

Maryland: Kent Ferrell, Richard Phelps

Michigan: Robert Hohn

Minnesota: John Derichs, Brian Johnson, Vern Kelley

Mississippi: Rex Gillis, Eric Prince, Stanley Roberts, Howard Waring

Missouri: Missouri Petroleum Marketers and Convenience Store Association

New Mexico: New Mexico Petroleum Marketers Association

North Carolina: John Fuquay, Bill Tome

North Dakota: Matt Bjornson, North Dakota Petroleum Marketers Association

Oklahoma: Oklahoma Petroleum Marketers and Convenience Store Association

Washington: Washington Oil Marketers Association

Wisconsin: John Baltus

Corporate donations are acceptable. MDF funds have been used for various studies, litigation and disaster relief dedicated to strengthening our lobbying efforts on Capitol Hill.

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

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

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Petro Pete: “I am not a product of my circumstances. I am a product of my decisions. –Stephen Covey”

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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.