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**HOUSE APPROVES MODIFICATIONS TO THE PAYCHECK PROTECTION PROGRAM**

Yesterday, by a near unanimous vote, the House approved the “Paycheck Protection Program (PPP) Flexibility Act of 2020” (H.R. 7010), which provides businesses with more flexibility to spend PPP loans on payroll and other business expenses. Specifically, businesses seeking full loan forgiveness would have 24 weeks instead of eight to spend the money and would only be required to spend 60 percent of the funds on payroll instead of 75 percent leaving a greater percentage of the PPP loans to be used on rent and other approved non-payroll expenses. PPP recipients would also have up to five years, instead of two years, to repay any money owed on a PPP loan.

The bill represents a compromise to provide some additional flexibility in using PPP funds for non-payroll costs (rent, mortgage interest, and utilities), while at the same time still incentivizing employers to retain or rehire workers. Earlier in the week, labor unions voiced concerns over the original legislation which would have eliminated a requirement that PPP loan recipients spend at least 75 percent of their loan proceeds on payroll expenses. The House ultimately agreed to a 60 percent threshold to be used for payroll instead of eliminating it.

The House bill now heads to the Senate where it could be amended to accommodate small business concerns that the 60 percent threshold required to be used on payroll should be reduced and/or eliminated. A vote is expected next week.

Meanwhile, the House also approved the “Small Business Transparency and Reporting for the Underbanked and Taxpayers at Home Act (TRUTH Act),” (H.R. 6782) which would require the Small Business Administration (SBA) to issue a report on PPP loan recipients of loans over \$2 million.

**FMCSA TO INCREASE REMOTE ELECTRONIC MOTOR CARRIER SAFETY AUDIT CAPABILITIES**

The Federal Motor Carrier Safety Administration (FMCSA) has announced plans to expand the agency’s use of remote motor carrier compliance safety reviews (audits) for the duration of COVID-19 public health emergency. The guidance is important to petroleum marketers and heating fuel dealers because the frequency of safety compliance audits is likely to pick up. Audits have a direct impact on a carrier’s safety rating and ability to continue operations. The FMCSA may conduct audits at any time for any reason. However, a compliance review is more likely to be triggered by a vehicle accident, roadside inspection out of service order for a driver or vehicle, a complaint, or some other safety related violation. The FMCSA has been unable to conduct on-site safety reviews since the declaration of national emergency in March. Audits are conducted by federal, state or local enforcement officials.

During an audit, enforcement authorities review the following records electronically:

- Drivers’ hours of service
- Maintenance and inspection
- Driver qualification
- Commercial drivers’ license requirements
- Financial responsibility
- Accidents
- Hazardous materials
- Drug and alcohol testing records, and
- Other safety and transportation records

The audits are used to determine which of the three safety rating classifications a carrier falls within – satisfactory, conditional or unsatisfactory. Audits may also result in enforcement actions including out of service orders.

**LAWSUITS PILE UP ON CORPORATE AVERAGE FUEL ECONOMY STANDARDS (CAFE) FINAL RULE**

The Alliance for Automotive Innovation, a group representing several automakers including GM, Ford, Honda, Toyota and Hyundai, announced that it plans to intervene in a lawsuit by a group challenging the Trump Administration’s new final rule on vehicle emissions standards. The libertarian think tank that filed the lawsuit, the Competitive Enterprise Institute, has argued that the new rule is too stringent. Conversely, the Alliance for Automotive Innovation has defended the rule, saying that the rule gives the auto industry a “return on its investment in advanced emissions-reduction and fuel economy technologies,” while also providing health and environmental benefits. At the same time, however, the Alliance for Automotive Innovation, is preparing to defend the rule from states and environmental groups who say the rule does not do enough to reduce vehicle emissions and provide better health benefits.

Recently, 23 states and the District of Columbia, led by California, filed a lawsuit to prevent the final rule from taking effect. The states claim that the rule violates the Clean Air Act and other environmental laws and that the federal government should revert to the Obama-era standards. In a statement, California Attorney General Xavier Becerra claimed that the new rule would lead to job losses and put the health of Americans in danger. Joining California and the District of Columbia were Colorado, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington and Wisconsin.

The EPA and the National Highway Traffic Safety Administration (NHTSA) issued the final rule in April that makes significant reductions in federal mileage standards for cars, pick-up trucks, and SUVs. The Safer Affordable Fuel Efficient Vehicles (SAFE) rule is important to petroleum marketers because federal fuel efficiency standards have a direct impact on consumer demand for transportation fuels.

Under the final rule, automakers are required to improve average fuel efficiency by only 1.5 percent per year between model years 2021 and 2026, far below the 5 percent annual improvement rate required over the same period under current efficiency standards. The lower improvement rate translates into an average fleetwide mileage standard of 40.4 mpg as opposed to 46.7 mpg under the 5% rate. The 1.5% improvement requirement matches auto manufacturers historic efficiency rate achieved by voluntary technological advancements.

PMAA submitted numerous arguments as to why current MPG standards could harm petroleum marketers and how important it is that the Trump Administration's rule is adopted.

### **SENATOR PORTMAN FLOATS ALTERNATIVE TO GET FURLOUGHED EMPLOYEES BACK TO WORK**

Recently, Senator Rob Portman (R-OH) floated a proposal to eliminate the current \$600 per week unemployment benefit for furloughed employees and instead give them \$450 per week if they returned to work before the end of July. The effort is in response to small businesses' complaints that the CARES Act's \$600 weekly unemployment supplement has made it harder to bring back furloughed workers or hire additional employees. The White House has signaled that it may support a return-to-work incentive and Senate Majority Leader Mitch McConnell (R-KY) has made clear that extending the \$600 weekly unemployment benefit provided in the \$2.2 trillion CARES Act is a non-starter for Republicans in negotiations over the next COVID-19 response package.

### **DOL RELEASES FINAL FLUCTUATING WORKWEEK METHOD OF COMPUTING OVERTIME RULE**

The Department of Labor (DOL) recently released a final rule that allows employers to pay bonuses or other incentive-based pay to salaried, nonexempt employees whose hours vary from week to week. The rule clarifies that payments in addition to the fixed salary are compatible with the use of the fluctuating workweek method under the Fair Labor Standards Act (FLSA).

"This final rule offers another example of how the U.S. Department of Labor is working to reduce unnecessary regulatory burdens in order to benefit American workers," said U.S. Secretary of Labor Eugene Scalia. "Because of the clarity provided by this rule, employers will know they can pay workers' bonuses in a broader range of circumstances."

### **REMINDER! U.S. SMALL BUSINESS ADMINISTRATION RELEASES APPLICATION AND INSTRUCTIONS FOR PPP LOAN FORGIVENESS**

The U.S. Small Business Administration (SBA) has released the application borrowers must submit to their lenders to qualify for Paycheck Protection Loan (PPP) forgiveness. The application is accompanied by worksheets and instructional pages that provide clarity on a number of critical questions facing PPP loan recipients.

### **HOUSE WAYS AND MEANS COMMITTEE MEMBERS INTRODUCE TAX CREDIT FOR HIRING CLEANING COMPANIES**

Today, Reps. Darin LaHood (R-Ill.) and Stephanie Murphy (D-Fla.), introduced legislation known as the Clean Start Act, which would give businesses a 50 percent tax credit to hire cleaning companies and purchase other products and equipment needed to keep their businesses clean. The lawmakers are likely to make a push to include the legislation in the next COVID-19 response package.

The 50 percent credit would apply to any purchases made through next March and the credit would be capped at \$25,000 per business location and \$250,000 per business entity.

### **GRAPHIC WARNING LABEL REQUIREMENT FOR CIGARETTE PACKAGING TO BE DELAYED**

Due to the effects of the ongoing health pandemic, a Texas federal judge has decided to delay the enforcement date upon which cigarette manufacturers are required to place graphic warning labels and images on cigarette packaging and advertisements that depict the lesser-known health risks associated with smoking cigarettes by 120 days from June 18, 2021, to October 16, 2021. Earlier this month, the FDA and several major cigarette manufacturers had requested that the

court delay the enforcement date to October 16, 2021.

In March, the FDA issued a final rule to establish new cigarette health warnings for cigarette packaging and advertisements. The final rule implemented a provision of the federal Family Smoking Prevention and Tobacco Control Act that requires the FDA to issue a regulation mandating new text warning messages along with color graphics to replace the current Surgeon General cigarette warning labels.

Under the final rule, retailers are ultimately responsible for ensuring these graphic warning labels on cigarette packaging and advertisements are visible to customers in their stores.

### **SENATE DEMOCRATS INTRODUCE PANDEMIC HEROES COMPENSATION ACT**

Modeled after the September 11th Victim Compensation Fund (VCF), the “Pandemic Heroes Compensation Act” fund would provide compensation for injuries to any individual, or their families, who are deemed an essential worker and required to leave their home to perform services and who have become ill or died as a result of COVID-19. The legislation mirrors recent House legislation introduced by Reps. Carolyn B. Maloney (D-NY), Jerrold Nadler (D-NY) and Peter King (R-NY).

### **FEDERATED INSURANCE: RISK MANAGEMENT CORNER**

#### ***Working in Heat***

After a long, gray winter, the sun is shining, the birds are chirping, and the mercury is rising — and rising, and rising. For several weeks in the spring, outdoor work is going to be comfortable — even preferable to indoor work. But by mid- to late June, the temps will begin to take their toll.

Preparing for and handling working in heat and humidity can provide protection from potentially deadly conditions. Your body is designed to cool itself and normally does a good job. But if you are exposed to extreme heat for too long, sweat a lot and do not rehydrate, your cooling system may fail. A heat-related illness can start slowly — you may not even realize it is happening — but it can quickly get worse if it is not treated.

To learn more about the dangers and how to avoid them in addition to the warning signs, please click [here](https://www.federatedinsurance.com/posts/risk-management-corner/2020-04-working-in-heat) (https://www.federatedinsurance.com/posts/risk-management-corner/2020-04-working-in-heat). For additional information or to discuss further, please contact your Federated regional representative or PMAA’s National Account Executive [Jon Medo](#) at 800.533.0472.

### **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](http://www.wpma.com).

### **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](mailto: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.

The logo for WPMA EXPO features the letters 'WPMA' in a bold, italicized, green font, followed by 'EXPO' in a white, outlined, sans-serif font.

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

## **MARK YOUR CALENDARS FOR UPCOMING EVENTS**

**CANCELED** July 19-21, 2020 - Oregon (OFA) Conference - Sunriver Resort - Sunriver, OR

**NEW DATE** July 29, 2020 – Utah (UPMRA) Summer Golf Classic – Bountiful Ridge GC – Bountiful, UT

**August 5-7, 2020** – Idaho (IPM&CSA) Convention – Coeur d' Alene Resort – Coeur d' Alene, ID

**CANCELED** August 17-19, 2020 – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, NM

**NEW DATE** August 24-26, 2020 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, WA

**NEW DATE** September 2-3, 2020 – Montana (MPMCSA) – Convention – Fairmont Hot Springs Resort – Fairmont, MT

**September 9-10, 2020** – Utah (UPMRA) – Convention – Sheraton Park City Hotel – Park City, UT

**NEW DATE** October 1-2, 2020 – Nevada NPM&CSA – Big Dogs- Red Rock Hotel & Casino - 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

## **WPMA MEMBER SERVICES**



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**Petro Pete: “I failed math so many times at school, I can’t even count.”**

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