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SHORT-HAUL DRIVER HOURS OF SERVICE AMENDMENTS EFFECTIVE SEPTEMBER 29, 2020

The Federal Motor Carrier Safety Administration (FMCSA) published the final rule amending the CDL driver of hours of service (HOS) requirements on June 3rd. Publication of the final rule in the Federal Register sets the 120 day countdown to the effective date of the changes when petroleum marketers and heating fuel dealers with short haul drivers gain two additional hours of daily on-duty time. In addition, the rule lengthens the distance that short haul drivers can travel, from a 100 air-mile radius to 150 air-mile radius.

Both these originated amendments are effective September 29, 2020. Another amendment extending maximum daily 11 hour driving window by two hours during adverse weather conditions is also effective September 29, 2020. These amendments allow drivers who did not previously qualify for short-haul status, but stay within the new 150 air-mile limit, to discontinue the use of electronic devices to record driver HOS. Short-haul drivers are exempted from the requirement to record driver HOS. Instead, HOS for short haul drivers can be demonstrated by business records, primarily driver timecards or pay records.

HOUSE TRANSPORTATION AND INFRASTRUCTURE COMMITTEE RELEASES HIGHWAY REAUTHORIZATION BILL

This week, Democrats on the House Transportation and Infrastructure (T&I) Committee released a five-year, \$494 billion surface transportation reauthorization bill known as the "Invest in a New Vision for the Environment and Surface Transportation in America" Act (Invest Act).

Quick highlights of the bill important to fuel marketers include:

- **Electric Vehicle Charging and Hydrogen Fueling Infrastructure Grants:** Creates a \$1.4 billion grant program for states and localities to deploy electric vehicle, hydrogen and natural gas vehicle charging stations along alternative fuel corridors designated by the Federal Highway Administration. PMAA has several concerns with this provision. The language could allow for EV charging stations at rest areas and permit electric utilities to double dip, meaning that they could charge their rate paying customers to expand EV infrastructure while also taking grant money to subsidize the same project. PMAA is also concerned that the bill does not provide for the equitable distribution of funds or account for other investment required for infrastructure changes that may be needed to accommodate EV and alternative fueling equipment such as upgrades to site utilities, adding land, and expanding paved areas and operating costs. In addition, the focus on alternative fuel corridors will result in a preference for grants to companies that have multiple sites distributed along major transportation routes. As with other grants for alternative fuels, small to medium c-stores will be placed at a competitive disadvantage.
- **Drivers Hours of Service** – The bill seeks to delay the effective date of the recent driver hours of service rule (HOS) that includes short haul exception amendments won by PMAA. The bill would require delay of the rule until FMCSA conducts a comprehensive review of hours of service regulations and report its findings to Congress. The bill would require the review to focus on the impact on safety and driver health from waivers and exceptions that extend maximum daily driving time and on-duty time, as well exemptions from recording daily HOS on electronic recording devices. This section would not only delay the HOS rule, but could also lead to the elimination of short haul exception, as well as the exception for short haul drivers from recording daily hours of service on electronic recording devices.
- **Vehicle Miles Traveled (VMT) Pilot:** Nearly doubles funding for (VMT) pilots across the country, encouraging States to begin implementing successful VMT programs. It also establishes a national VMT pilot program, including both passenger and commercial vehicles in all 50 states to invest in developing a sustainable funding mechanism for the highway trust fund (HTF). A VMT is a user fee based on miles traveled that can possibly be tracked by phone apps, in-car diagnostic systems or by other means.
- **Commercial Motor Vehicles:** Mandates Automatic Emergency Braking systems in newly manufactured commercial motor vehicles and mandates rear underride guard standards in newly manufactured trailers and semi-trailers capable of preventing passenger compartment underride at speeds up to 35 mph. The bill would require periodic inspection of rear underride equipment as well as daily pre-trip inspections by drivers. It also calls for a study on installing side underride guards on newly manufactured trailers and semitrailers and creates an Advisory Committee on Underride Protection.
- **Hazardous Material Transportation:** Requires PHMSA to study and report to Congress the safety impact of the current requirement for all commercial vehicles hauling hazardous materials stop at railroad crossings; the

frequency of rear impact to HAZMAT vehicles as a result of the requirement; and whether the requirement should be removed altogether.

- **Delays the implementation of new highway and transit policies** until after the first year of the bill to reflect the challenges states and localities face due to COVID-19 and the economic downturn.

While the Democratic-controlled House is expected to approve the bill next month, it is dead on arrival in the Senate. The bill currently lacks a “pay for” meaning it is unlikely that a potential multiyear surface transportation bill is signed into law this year.

Congress is more than likely to pass a short-term reauthorization of surface transportation programs into next year since current law is set to expire on September 30, 2020.

PRESIDENT EXPECTED TO SIGN PAYCHECK PROTECTION PROGRAM MODIFICATION BILL

The President is expected to sign the “Paycheck Protection Program (PPP) Flexibility Act of 2020” (H.R. 7010) as soon as today. Highlights include:

- Extends the PPP loan forgiveness period from eight weeks to 24 weeks or through the end of the year, whichever comes first.
- Reduces the 75 percent threshold needed to be spent on payroll to 60 percent which allows a greater percentage of the PPP loans to be used on rent and other approved non-payroll expenses.
- Increases the PPP loan repayment period from two year to five years.
- Allows businesses that receive loan forgiveness to defer payroll taxes.
- Extends the June 30 rehiring deadline to December 31, 2020. PPP loans will be forgiven if businesses restore staffing or salary levels that were previously reduced. The provision would apply to worker and wage reductions made from February 15 through 30 days after enactment of the CARES Act, which was signed into law on March 27.
- Provides additional flexibility on loan forgiveness for PPP recipients who show they could not rehire workers or reopen due to safety standards.

During Senate consideration, Senator Ron Johnson (R-WI) objected to the bill over concerns that the PPP application deadline could technically be extended until the end of the year. Sen. Johnson dropped his objections after Senate Majority Leader Mitch McConnell (R-KY) agreed to add a letter to the Congressional Record clarifying that June 30 remains the deadline for applying to receive a PPP loan.

Click [here](https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program) for more information about the PPP. (<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>)

API PUBLISHES NEW RECOMMENDED PRACTICE 1637

The American Petroleum institute (API) recently published the 4th edition of the API Recommended Practice (RP) 1637 Using the API Color-Symbol System to Identify Equipment, Vehicles, and Transfer Points for Petroleum Fuels and Related Products at Dispensing and Storage Facilities and Distribution Terminals. The API Color-Symbol system uses a system of colors, symbols, and labels to identify transfer points and equipment for loading and unloading of petroleum fuels and related products to help prevent errors in product handling. API 1637 is specified by Handbook 130 and many state weights and measures codes as the color code system to be used.

The 4th edition of API 1637 is a significant update from the prior version. It incorporates the many fuel blends and biofuels that have been introduced to the market since the last version of this standard was published. This updated practice adds colors and symbols for 19 additional fuels including gasoline-ethanol blends, racing fuels, biodiesel, renewable diesel, biofuel oil, and Diesel Exhaust Fluid (DEF). Personnel who handle products should be familiar with this updated color-symbol system.

CDC ISSUES NEW RECOMMENDATIONS FOR EMPLOYERS REOPENING OFFICES

The Centers for Disease Control (CDC) recently published sweeping new recommendations for employers to safely reopen offices to prevent the spread of COVID-19. Please click [here](https://www.cdc.gov/coronavirus/2019-ncov/community/office-buildings.html) (<https://www.cdc.gov/coronavirus/2019-ncov/community/office-buildings.html>)for the details.

TRUMP ISSUES EXECUTIVE ORDER TO SPEED UP INFRASTRUCTURE PROJECTS

Yesterday, President Trump issued an Executive Order (EO) instructing the Departments of Interior, Agriculture, and Defense to use emergency powers under the Endangered Species Act, Clean Water Act and the National Environmental Policy Act (NEPA) to speed up infrastructure projects through the approval process on federal lands as a response to the coronavirus pandemic. The latest EO is likely to draw many lawsuits from environmental groups if projects are given the greenlight to move forward without complying with the environmental review process required under these statutes. Several of the President's previous EOs aimed at speeding pipeline approvals have been held up in court challenges because they attempt to override Congressionally mandated requirements. Meanwhile, the EPA finalized a new rule on Monday to significantly rein in states' power to veto natural gas pipelines, coal export terminals and other infrastructure projects over their water quality impact. The limit on state powers to veto natural gas pipelines is of particular concern to heating fuel dealers throughout the Northeast.

REMINDER: URGE CONGRESS TO PROVIDE LIABILITY PROTECTION TO ESSENTIAL CRITICAL INFRASTRUCTURE INDUSTRIES

PMAA is urging Congress to protect essential businesses that remain open during the COVID-19 pandemic from lawsuits and other claims by infected persons. The liability protection effort would provide essential businesses, designated as essential critical infrastructure by the Department of Homeland Security, with immunity from lawsuits claiming money damages for persons who allegedly contracted COVID-19 at a business premises or as a result of business operations.

The motor fuels, heating fuels and convenience store industries are at the forefront of COVID-19 response efforts and should not have to worry about future lawsuits for providing needed products and services to American consumers.

Please click [here](https://www.pmaa.org/advocacy/advocacy/#/30) (<https://www.pmaa.org/advocacy/advocacy/#/30>) to urge your lawmakers for liability protection in a future COVID-19 response bill.

DNC CLIMATE PANEL PRESSURES BIDEN TO BACK AGGRESSIVE CLIMATE PLAN

This week, the Democratic National Committee (DNC) Climate Council offered presumptive Democratic presidential nominee Joe Biden an aggressive climate plan that they would like Biden to adopt, which goes much further than his own climate plan. The 12 person DNC Climate Council was created last year by the DNC to form progressive climate policies in response to not having a democratic primary debate on climate change.

The panel recommends that Biden spend between \$10 trillion and \$16 trillion dollars in federal funding over the next 10 years to combat climate change, whereas Biden's current plan only calls for up to \$2 trillion in federal spending on climate issues. The proposal also calls for denying new federal permits for fossil fuel infrastructure projects like pipelines, 100 percent clean renewable energy by 2030 in electricity generation, buildings, and transportation, and eliminating gas-fired heat and other fossil fuels in new buildings by 2025. Finally, the plan calls for ending fossil fuel and other resource development on 30 percent of public lands by 2030 and half of the world's oceans by 2050. In contrast, Biden's current plan calls for achieving net-zero emissions and reaching a 100 percent clean energy economy by 2050 and cutting in half the carbon footprints of buildings by 2035.

Although it is unknown if Biden will adopt some of the council's policies, many democratic experts fear that this aggressive climate plan would alienate the moderate voters of the party in battleground states that Biden will need to beat President Trump in November. Even if Biden decides to adopt some of these policies, it will still be difficult to implement them as most of these issues will require Congress's approval.

FEDERATED INSURANCE RESPONSE TO CORONAVIRUS

Federated Insurance is committed to helping you as our nation unites to prevent the spread of COVID-19. Here is a [link](#) to many valuable resources designed to inform and support your members during these uncertain times. Because this page is not available on our public site, you may want to save it in your browser for future reference as it will be updated regularly when additional resources become available.

Federated's valued policyholders have these and additional resources available to them at [Federated's Shield Network](#) or by contacting our Risk Management Resource Center at 1-888-333-4949. For additional information or to discuss this in further detail, please contact your [Federated](#) regional representative or PMAA's National Account Executive [Jon Medo](#) at 800.533.0472. **Federated is a PMAA Corporate Platinum Partner.**

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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.

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

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

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Petro Pete: "I used to have a handle on life, but then it broke."

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