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2019 FEDERAL HEAVY HIGHWAY VEHICLE USE TAX

The 2019 Heavy Highway Vehicle Use (HHVU) tax reporting year runs from July 1, 2019 to June 30, 2020. The HHVU tax is paid on each commercial motor vehicle with a gross vehicle weight of 55,000 pounds or greater that travels 5,000 miles or more per year. The HHVU applies to most petroleum cargo tank vehicles and transports. Once the HHVU tax is filed and paid, the IRS will send back a stamped IRS Form 2290 Schedule 1 within six weeks.

AUTOMAKERS URGE TRUMP ADMINISTRATION TO REOPEN FUEL ECONOMY TALKS WITH CALIFORNIA

Yesterday, auto manufacturers warned President Trump that he should tone-down the final rule to avoid a battle with California, calling the plan "untenable." In a letter, the automakers said, "For our companies, a broadly supported final rule would provide regulatory certainty and enhance our ability to invest and innovate by avoiding an extended period of litigation and instability, which could prove as untenable as the current program." Further, they stated, "We strongly believe the best path to preserve good auto jobs and keep new vehicles affordable for more Americans is a final rule supported by all parties — including California."

The final rule would freeze CAFE and corresponding greenhouse gas standards at 2020 levels and revoke the rights of individual states to adopt more stringent emissions standards. However, the rule will undoubtedly lead to a meeting in court between the Trump Administration and California. California and other states sued EPA over its decision last year to roll back the standards. That lawsuit is still pending. Administrator Wheeler hopes the litigation will proceed quickly which will give auto manufacturers certainty to sell 2020 model year vehicles at the Trump Administration standards.

Last October, PMAA submitted comments in support of the Trump Administration's proposed rule. PMAA highlighted numerous reasons why current CAFE standards could impact petroleum marketers and how important the Trump Administration's proposed rule is needed.

Meanwhile, the House Appropriations Committee passed a FY 2020 Transportation, Housing and Urban Development (THUD) funding bill that includes a provision restricting the EPA and National Highway Transportation Safety Administration (NHTSA) from completing work on the rewrite of Corporate Average Fuel Economy (CAFE) standards. The vote passed along party-lines over Republican objections to language in the bill that would prevent completion of the rule which is expected to be released later this month. One of the Republicans objecting to the bill, Rep. Kay Granger (R-TX), said that "we must work together to improve this bill by eliminating these riders."

RFS DOES LITTLE TO REDUCE GAS PRICES – GAO

On Monday, the Government Accountability Office (GAO), which provides auditing, evaluation and investigative services for the U.S. Congress, released a report on the RFS which concluded that the program has done little to reduce prices at the pump. Citing evidence from several studies, expert interviews and analysis, the GAO reported that states outside of the Midwest saw pump prices rise due to transportation costs and lack of adequate infrastructure. The GAO also analyzed historical RIN values and efforts to date to reform the RFS RINs market such as changing the point of obligation. Finally, the GAO concluded that the RFS has had a limited impact on reducing America's carbon footprint.

ADERHOLT AMENDMENT TO RAISE FEDERAL TOBACCO PURCHASING AGE TO 21 REJECTED

On Tuesday, House appropriators rejected Rep. Aderholt's (R-AL) amendment to an FDA funding bill that would raise the federal age to purchase tobacco, including e-cigarettes, to 21 by a vote of 23-27. Rep. Nita Lowey (D-NY) opposed the measure because she said she didn't have enough time to review the amendment which was updated soon before the vote after criticism from anti-tobacco groups that said its definition of vapor products could leave a loophole that allowed laxer regulation of new products like Philip Morris International's heat-not-burn tobacco device IQOS. She also opposed the measure because it wouldn't take effect for two years. Democrats have said they generally support the idea, but said the problem needed to go through authorizing committees, not an appropriations bill.

Currently, 16 states and at least 450 localities have raised the legal age to purchase tobacco and e-cigarette products to 21. The PMAA Board of Directors voted recently to not take a position on raising the federal tobacco buying age to 21 and will defer to each state association to develop its own position.

REP. FINKENAUER URGES CONGRESS TO EXTEND BIODIESEL TAX CREDIT

At a House Ways and Means Committee hearing on Tuesday, Rep. Abby Finkenauer (D-IA) urged lawmakers to extend the biodiesel blender's tax credit. Rep. Finkenauer said, "There are many issues pending before this committee that are important to my constituents, but I want to focus my testimony today on what should be a bipartisan effort, and should

have been done in the last Congress, which is the biodiesel tax credit.” She added that “it is imperative that Congress extend the biodiesel tax credit and work with the Senate Finance Committee to get something done quickly.”

In April, Rep. Finkenauer introduced bipartisan legislation (H.R. 2089,) known as the “Biodiesel Tax Credit Extension Act,” that would extend the biodiesel blender’s tax credit for 2018 and 2019. PMAA supports this important legislation.

The biodiesel tax credit expired on December 31, 2017 and has been in limbo since. Congress must act now to retroactively extend the credit for calendar year 2018 and through at least 2019.

DEMOCRAT PRESIDENTIAL HOPEFUL INTRODUCES AN ALL ELECTRIC SCHOOL BUS BILL

This week, presidential hopeful Senator Kamala Harris (D-CA) introduced legislation to transition the nation’s school bus fleet to run entirely on electric power. Sens. Bernie Sanders (I-VT) and Cory Booker (D-NJ), who are both running for the democratic presidential nomination, cosponsored the legislation known as the “Clean School Bus Act.” The bill aims to spend \$1 billion over five years to fund a Clean Bus Grant Program at the Department of Energy. While the legislation is expected to gain the support from the democratic party, the bill is likely dead on arrival in the GOP-controlled Senate.

NOAA PREDICTS NORMAL 2019 ATLANTIC HURRICANE SEASON

The National Oceanic and Atmospheric Administration (NOAA) recently said that they predict the 2019 Atlantic hurricane season will be near-normal. The NOAA outlook for the hurricane season, which occurs from June 1 to November 30, projects that there is a 40 percent chance of a near-normal season, a 30 percent chance of an above-normal season and a 30 percent chance of a below-normal season.

NOAA predicts that there will likely be between 9 and 15 named storms, 4 to 8 of which could be hurricanes. They say that of those hurricanes, 2 to 4 could be major hurricanes which include category 3, 4, or 5 hurricanes.

PLAN TO ATTEND THE 2020 WPMAEXPO

WPMA EXPO

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 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: "If you feel like doing some work, sit down and wait. The feeling does go away."

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