

June 16, 2017

Visit us online at [www.wpma.com](http://www.wpma.com)

WP-06-16-17

**WPMA ANNOUNCES 2017-18 EXECUTIVE COMMITTEE**

At the recent WPMA Board Meeting, the Board voted to approve the following as the 2017-18 WPMA Executive Committee:

WPMA President: Ron Berry, Berry Oil, Tetonia, Idaho

WPMA 1<sup>st</sup> Vice President: Mark Lytle, Pro Petroleum, Las Vegas, Nevada

WPMA 2<sup>nd</sup> Vice President: Dennis Campo, Campo & Poole, Fruitland, Idaho

WPMA 3<sup>rd</sup> Vice President: Steve Clark, Genesee Energy, Seattle, Washington

WPMA Immediate Past President: Rick Reese, Kellerstrass Oil, Salt Lake City, Utah

We congratulate these members on their new positions, and look forward to working with them in the coming year.

**SENATE HOLDS HEARING ON LEGISLATION TO ALLOW E15 TO BE SOLD YEAR-ROUND**

PMAA Sends Letter to Committee Leadership Before Hearing Opposing Legislation

On Wednesday, the Senate Environment and Public Works Committee held a hearing on S. 517, known as the "Consumer and Fuel Retailer Choice Act." The bill, introduced by Sen. Deb Fischer (R-NE), would extend the Reid vapor pressure (RVP) waiver to ethanol blends above 10 percent which would allow retailers across the country to sell E15 year-round. In his opening statement, Senate Environment and Public Works Committee Chairman John Barrasso (R-WY) highlighted his concerns with the increased use of E15, stating that "In Wyoming, folks want fuel with less, not more, ethanol. They have seen what ethanol does to small engines and boat engines. They worry what fuel with more ethanol will do to their car engines, and who will be stuck paying the bill. Consumers, manufacturers, and others are deeply skeptical about EPA's decision to approve E15 for use in 2001 and newer vehicles."

The witnesses included: R. Brooke Coleman (Executive Director, Advanced Biofuels Business Council), Jonathan Lewis (Senior Counsel, Clean Air Task Force), Mike Lorenz (Executive Vice President, Sheetz Inc.), Todd Teske (Chairman, President & CEO, Briggs & Stratton Corp.), and Janet Yanowitz (Principal Engineer, Ecoengineering Inc.). In his testimony, Jonathan Lewis expressed his concerns with the use of E15, stating that the use of E15 could increase nitrogen oxide emissions and push regions into non-attainment. Additionally, Todd Teske stated that E15 is not approved in the use of small engines, like the ones used on his company's equipment. Teske added that he opposes S. 517 because he believes the misfuelling of E15 would be substantial. Meanwhile, Sheetz's President Mike Lorenz said that there have not been any incidents with E15 and that consumers know what they're putting into their engines. The National Marine Manufacturers Association opposes S. 517 citing that "While the title of S. 517 contains the word 'choice', passage of this legislation would effectively deny consumers choice at the pump, while also endangering their safety on the water. There are 12 million recreational vessels registered in the United States. Ninety-five percent of these vessels are fueled at retail automotive service stations, and are dependent on a safe and legal fuel supply to operate. Ensuring all consumers have access to approved fuels is absolutely critical to recreational boaters and anglers."

On Monday, PMAA submitted a letter for the record to Chairman Barrasso and Ranking Member Carper highlighting its concerns with S. 517. PMAA firmly believes that before Congress proceeds any further on granting a RVP waiver to blends above E10, it must first hold a hearing on the effects of ethanol blends on existing underground storage tank (UST) system infrastructure. The introduction of ethanol blends higher than 10 percent (including E15) present significant economic and legal impediments to many gasoline retailers, as well as, consumer awareness issues that go beyond the price of the fuel. Extending the RVP waiver to E15 at this point further exacerbates these concerns and could force many retailers to invest considerable time and money on an accelerated schedule to switch to an alternative fuel storage and distribution system in order to remain competitive.

**PMAA SENDS LETTER TO CONGRESS OPPOSING REST AREA COMMERCIALIZATION**

On Tuesday, PMAA joined twelve organizations in sending a letter to the House and Senate urging them to protect the ban on privatizing and commercializing interstate rest areas and to consider legislation to incentivize investments in America's infrastructure.

In an attempt to raise state revenue, many state governments have supported the idea of commercializing rest areas, contracting fueling and other services to private vendors. While advocates for commercialization claim that such services will benefit the public, the reality is that rest area commercialization would close as many as half of the nearby interchange-based businesses (according to a 2003 study by the University of Maryland). When Congress created the Interstate Highway System in 1956, community leaders feared that local businesses, jobs, and tax bases would shrink as truckers and other motorists bypassed their cities and towns. As a result, Congress prohibited development on interstate rights of way.

The ban on the commercialization of rest areas has resulted in a strong, competitive economic environment with over 60,000 businesses developing along U.S. interstate highways. Prohibiting publicly-run rest areas from competing with private sector businesses has been an undeniable success, resulting in industries that provide valuable services such as gas stations, travel plazas, truck stops, restaurants, and hotels.

### **LAWMAKERS SEEK TO FIX HTF VIA TAX CODE REFORM**

On Tuesday, a bipartisan letter was sent to House Ways & Means Committee leadership that was signed by more than 250 members. The letter that was signed by 119 Republicans asks that tax code reform also include a permanent funding fix for the Highway Trust Fund (HTF). The letter originated from Rep. Sam Graves (R-MO) who chairs the House Transportation Highways and Transit Subcommittee, and Del. Eleanor Holmes Norton (D-DC), but only lays out a broad concept without getting into specifics as to how to achieve the fix.

Congressman Graves, who is a contender for the House Transportation Committee Chair once Chairman Bill Shuster (R-Pa.) is term-limited out, has a permanent fix to the HTF among his top priorities.

In April, Rep. Graves and Del. Holmes Norton sent a similar letter to the House Ways and Means Committee requesting that the committee include a long-term HTF fix in any tax code overhaul the committee undertakes. Both letters note that “a long-term solution to the HTF structural revenue deficit would promote increased transportation infrastructure investment and meaningful economic growth in every state.”

Graves and Norton stated further that “over the past 30 years, all HTF revenue enhancements have been included in larger tax and deficit reduction packages. Any HTF solution should entail a long-term, dedicated, user-based revenue stream that can support the transportation infrastructure investment supported by President Trump and members of Congress from both parties.”

### **SUPREME COURT DENIES ELECTRONIC LOGGING CHALLENGE**

On June 12, the Supreme Court announced it will not hear a lawsuit challenging a DOT rule requiring truck operators to use electronic logging devices (ELD) to track hours of service, leaving in place a lower court ruling upholding the mandate and its December 18 compliance deadline.

Earlier this year, the Owner-Operator Independent Drivers Association (OOIDA) filed a petition asking the Supreme Court to hear its lawsuit seeking to overturn the Federal Motor Carrier Safety Administration’s (FMCSA) electronic log book ELD mandate for recording driver hours of service. The OOIDA lawsuit alleges that the ELD rule is arbitrary and capricious and violates the Fourth Amendment of the Constitution banning unreasonable search and seizures by the government. The ELD rule was published in December 2015 and requires motor carriers to equip trucks with electronic log book data recorders to record driver hours of service beginning December 18, 2017.

There are a number of exceptions to the ELD mandate including:

- Drivers operating under the 150-air-mile radius short-haul exception from keeping written log books to record hours of service;
- Drivers who occasionally keep a logbook but do not do so for more than eight days in any 30-day period; and
- Model year 1999 and older trucks.

PMAA has consistently opposed the ELD mandate since it was first proposed.

OOIDA says it’s “extremely disappointed that the Supreme Court does not see the merit in reviewing our case with so many questions about its constitutionality.” ATA concurs with the Supreme Court’s decision. “We are pleased to see that the Supreme Court will not interfere with the implementation of this important, and Congressionally mandated, safety rule. We will continue to support FMCSA as they work toward the December deadline for electronic logging devices and urge them to provide certainty to the industry about when and how to comply with this rule by continuing to move toward implementing this regulation on schedule.”

### **PMAA URGES TREASURY TO WITHDRAW ESTATE TAX REGULATIONS**

This week, PMAA and other members of the Family Business Estate Tax Coalition (FBETC) sent a letter to Treasury and to the IRS seeking formal withdrawal of Proposed Regulations on “Estate, Gift, and Generation-Skipping Transfer Taxes; Restrictions on Liquidation of an Interest,” (August 4, 2016).

The request is pursuant to Executive Order 13789 which calls on Treasury to review all significant tax regulations issued on or after January 1, 2016, that “impose an undue financial burden on United States taxpayers; add undue complexity to the Federal tax laws; or exceed the statutory authority of the Internal Revenue Service.” Further, President Trump’s Executive Order 13790 creates a task force to identify regulatory changes that “promote the preservation of family farms and other agribusiness operations as they are passed from one generation to the next, including changes to the estate tax

and the tax valuation of family or cooperatively held businesses.”

The Coalition strongly opposes the proposal to deny family-owned businesses ordinary valuation discounts for lack of control and lack of marketability when calculating gift and estate tax liability. The proposed regulations will discourage families from continuing to operate and build their family businesses and pass them on to future generations. The estate tax regulations meet all the criteria outlined in Executive Orders 13789 and 13790, and should therefore be withdrawn.

PMAA will continue support efforts to ensure that small businesses are not unnecessarily harmed by burdensome proposed regulations.

### HOUSE SUBCOMMITTEE ADVANCES OZONE BILL

Yesterday, the House Energy and Commerce Environment Subcommittee passed H.R. 806, known as the “Ozone Standards Implementation Act,” along party lines. The bill would ask the EPA to update its standards for ozone pollution every 10 years rather than every 5 years, the timeline currently set by federal law. Republicans argued that the bill will make it easier for cities and localities to come into compliance with federal ozone limits.

PMAA supports this legislation because it provides a common-sense approach for implementing national ambient air quality standards, recognizes ongoing state efforts to improve air quality through a reasonable implementation schedule for the 2015 ozone standards, streamlines the air permitting process for businesses to expand operations and create jobs, and includes other reforms that bring more regulatory certainty to federal air quality standards. The bill would avert the spread of more RFG and lower RVP motor fuels from hitting the market. Last year, PMAA joined over 200 associations, companies and state groups in a letter of support for this legislation. The bill now heads to the House floor for a full vote.

### PASSING OF BONNIE JACKSON



WPMA is saddened to report the passing of Bonnie McEuen Jackson, wife of John Jackson of Jackson Oil in Meridian, Idaho. Bonnie originally worked for Texaco Inc. as an Associate Programmer in Houston, TX, and was later promoted to manager of Retail Automation and Facility Design. During this period Bonnie met and dated John Jackson, a customer of Texaco and Shell. Bonnie eventually moved to Boise and ultimately left her job to become CIO of Capitol Distributing and also Jackson Foods, Energy and Jet Center.

Bonnie loved her family, friends, and pets. She enjoyed dance, tennis, golf, riding horses, water and snow skiing and life in general. She fought a hard, 5-year battle for her life with grit, grace and intelligence.

Funeral services for Bonnie were held today, June 16, 2017 at 1 pm at the Cathedral of the Rockies, 717 N 11th St, Boise, ID. 83702. A private family graveside was held directly after the service at Morris Hill Cemetery, with a reception following.

WPMA sends our sincere condolences to John and the Jackson family at their loss. Bonnie will be missed but not forgotten by all who knew her.

## 2018 WPMAEXPO KEYNOTE SPEAKER!



WPMA is excited to announce our 2018 WPMAEXPO Keynote speaker will be **Mitt Romney**, former Governor of Massachusetts (2003-2007), President and CEO of the Salt Lake Organizing Committee for the 2002 Winter Olympic games, and Founder/CEO of Bain Capital.

Come and join us at The Mirage on February 21, 2018, to hear Mitt Romney speak on the issues of the day!

## PLAN TO ATTEND THE 2018 WPMAEXPO

# WPMAEXPO

Mark your calendars for February 20-22, 2018. Make plans now to attend the 2018 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

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

**June 19-22, 2017** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

**June 22, 2017** – Utah (UPMRA) Summer Classic PAC Golf Outing – Stonebridge GC, WVC, Utah

**August 2-4, 2017** – Idaho (IPM&CSA) Convention – Sun Valley Resort – Sun Valley, Idaho

**August 21-23, 2017** – New Mexico (NMPMA) Convention – Sandia Resort – Albuquerque, New Mexico

**August 30, 2017** – Idaho(IPM&CSA) PAC Golf Tournament, Huntsman Springs GC, Driggs, Idaho

**September 13-15, 2017** – Utah (UPMRA) Convention – Zermatt Resort – Midway, Utah

**October 5, 2017** – Hawaii (HPMA) Golf Tournament – The King Kamehameha GC, Wailuku, Hawaii

**February 20-22, 2018** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

**June 18-21, 2018** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

**August 8-10, 2018** – Idaho (IPM&CSA) Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho

## **WPMA MEMBER SERVICES**



**Be sure to subscribe to all of our social channels for great tips, industry trends, and insider information about association activities and upcoming events!**



**Petro Pete: “People say money is not the key to happiness, but I always figured if you had enough money, you can have a key made.”**

© 2017 Western Petroleum Marketers Association - All rights reserved. No part of this work may be reproduced or copied in any form or by any means - graphic, electronic, or mechanical, including photocopying, recording, or otherwise. The information herein is also intended for the sole purpose of members of the Western Petroleum Marketers Association (WPMA). Any other use is strictly prohibited without the express written consent of the WPMA. If you do not wish to receive information via fax or e-mail, please contact WPMA at: (801) 263-9762, Fax: (801) 262-9413, or e-mail: [janr@wpma.com](mailto:janr@wpma.com). Thanks.