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## **WPMA NEWS MAGAZINE NOW AVAILABLE DIGITALLY!**



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## **PMAA REGULATORY ALERT: PHMSA EXTENDS ENFORCEMENT DISCRETION POLICY FOR CDL DRIVER HAZMAT TRAINING**

The Pipeline and Hazardous Material Safety Administration (PHMSA) announced an extension of the agency's March 24, 2020 enforcement discretion policy (waiver) regarding reoccurring hazardous material training and testing requirements for CDL drivers. While the waiver is in effect, PHMSA will take no enforcement action against any motor carrier or offeror who is unable to provide reoccurring hazardous material training and testing that all CDL HAZMAT drivers (and all HAZMAT employees) must undergo every three years. The original enforcement waiver expired on June 24, 2020. PHMSA's announcement this week extends the waiver through October 31, 2020.

Click [here](#) for the full PMAA Regulatory Report.

## **PMAA REGULATORY REPORT: FMCSA EXTENDS WAIVER FOR EXPIRING CDL LICENSES, LEARNER'S PERMITS AND DRIVER MEDICAL CERTIFICATES**

The Federal Motor Carrier Safety Administration (FMCSA) has issued a three-month extension of the emergency waiver validating expiring commercial driver licenses (CDL), commercial learner's permits (CLP), and driver medical qualification certificates that expires on June 30th. The new emergency waiver takes effect July 1 and ends on September 30, 2020. The waiver applies to both intrastate and interstate drivers. The FMCSA said the waiver extension is necessary due to the ongoing closures of state licensing agencies and certified medical examiners that prevent drivers from renewing their CDL, CLP and medical certificates. View the FMCSA waiver extension [here](#).

**Important!** The Transportation Security Administration (TSA) issued an emergency waiver on April 2, 2020 extending expiring CDL hazardous material endorsements (HME) through July 31, 2020. PMAA is working with TSA to extend the HME waiver through September 30, 2020 as well.

Click [here](#) to read the full PMAA Regulatory Report.

## **HOUSE DEMOCRATS RELEASE EXPANDED VERSION OF THEIR INFRASTRUCTURE BILL**

### **Floor Vote Expected Before July 3**

This week, House Democrats released a 2,309 page infrastructure bill known as "The Moving Forward Act" (H.R.2) totaling \$1.5 trillion which includes the bill passed by the House Transportation Committee last week, and it adds sections on water and energy infrastructure, broadband, housing and schools, healthcare and aviation. Click [here](#) for a complete list of issues passed by House Transportation Committee last week that are of importance to fuel marketers.

H.R. 2 pours tens of billions of dollars into modernizing the electric grid, investing in water projects, and extending a host of energy tax credits. Provisions important to fuel marketers include:

- Expands the controversial \$7,500 federal electric vehicle (EV) tax credit. The current \$7,500 EV tax credit allows taxpayers to deduct part of the cost of buying an EV and phases out once an automaker hits 200,000 cumulative EV sales which both Tesla and GM have hit. H.R. 2 would expand the 200,000 cumulative EV sales to 600,000 and reduce the credit by \$500 to \$7,000. The bill would also create a new "used EV tax credit" through 2025 for individuals with adjusted gross incomes of \$30,000, or \$60,000 for joint filers of \$1,250.
- Phases out the biodiesel blender's tax credit (BBTC). Current law has the BBTC expiring on December 31, 2022. The bill would add an additional two years to the BBTC through December 31, 2025 but reduce the \$1 per gallon credit each year. It would also extend credits for alternative fuels and alternative fuel mixtures at a rate of 50 cents per gallon through 2022, and subsequently phase them down through 2025.

- Reauthorizes and expands two grant programs promoting electrification of the transportation sector by providing \$2 billion per year through 2025 for competitive grants related to EV infrastructure.
- Extends and increases the authorization for the EPA's diesel emission reduction program by providing \$500 million per year through 2025. It would expand the EPA grant program to replace or retrofit school buses to be powered with alternative fuels or ULSD to allow for rebates and revolving loans.
- Authorizes \$1 billion annually through 2025 for a Home Energy Savings Retrofit Rebate Program which would provide rebates of as much as \$800 for insulation and air sealing and as much as \$1,500 if the installation is accompanied with a total or partial replacement of the HVAC system. Rebates would be capped at 30 percent of the actual cost of each installation and replacement. The Energy Department could pay contractors an additional \$250 for each eligible project in exchange for information sharing on the performance of the retrofit. H.R. 2 would make grants under the program for states to administer their own rebates for retrofits that reduce home energy use by at least 20 percent. Additional rebates would be allowed for retrofits achieving a 40 percent reduction. The bill would also authorize \$350 million in fiscal 2021, increasing each year to \$1 billion in fiscal 2025 for the Weatherization Assistance Program and would establish a new weatherization grant program to support retrofitting low-income housing.
- Extends the credit for nonbusiness energy property placed in service by the end of 2025. It would make several changes for property placed in service starting in 2021, including: increasing the credit to 15 percent, from 10 percent, of energy efficiency improvement expenses, increasing the lifetime cap to \$1,200, from \$500.

The House Rules Committee will meet next week to debate a rule that will structure floor debate and consider additional amendments for H.R. 2. Over 330 amendments have been submitted. Following the House Rules Committee meeting, H.R. 2 will head to the House floor where it is expected to pass along party lines and then die in the Senate. The bill currently lacks a full "pay for" meaning it is unlikely that a potential multiyear surface transportation bill is signed into law this year.

The 24.4 cents-per-gallon diesel tax and 18.4 cents-per-gallon gas tax have remained unchanged since 1993. 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. The Senate Environment and Public Works Committee has marked up its own surface transportation bill, S. 2302, but it is unclear when the Senate will move forward with their version.

### **BREAKDOWN OF ANOTHER POSSIBLE COVID-19 RELIEF PACKAGE**

There are many moving parts for the next COVID-19 Relief Package. The big sticking points of the next COVID-19 relief package: reasonable COVID-19 liability coverage, state and local government funding, direct payments to middle/low income households, and extension of the \$600 weekly unemployment benefit.

#### **COVID-19 Liability Coverage:**

Senate Majority Leader Mitch McConnell (R-KY) has conditioned any further COVID-19 relief package must include reasonable liability protections. Sen. Cornyn (R-TX) is expected to introduce a bill soon that would provide safe harbor provisions for businesses that meet safety guidelines as well as making it easier to force lawsuits into federal courts, and imposing caps on the damages that can be awarded. PMAA has been reaching out to the House Blue Dog democrats and to the Senate to encourage them to support reasonable COVID-19 liability protection.

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](#) to urge your lawmakers for liability protection in a future COVID-19 response bill.

#### **State and Local Funding:**

State and local governments received around \$150 billion through the CARES Act to pay for unbudgeted expenses tied to COVID-19. There is a big push from state and local governments for hundreds of billions more, along with the ability to make up for lost revenue. Many differences over the size of the package, restrictions on states with pre-existing budget shortfalls, and allocations for smaller towns have yet to be worked out. States and cities would get another \$915 billion in additional funding under the House democratic proposal, the Heroes Act (HR 6800). Half of the funds would be distributed within 30 days of enactment, based on each state's share of COVID-19 cases and population size, and the rest would be paid out by May 3, 2021. Under the bipartisan SMART Act (HR 6954, S. 3752) an additional \$500 billion would be allocated. Funds would be allocated based on each state's population size, COVID-19 cases as of June 1, and revenue losses in 2020 compared with 2019. A third of state allocations would have to go to counties and municipalities. Republican leaders are leaning towards more aid, but not for problems that existed before the pandemic.

#### **Direct Payments to Taxpayers:**

U.S. Treasury Secretary Mnuchin said recently that the Trump Administration is considering whether to send another round of direct payments to taxpayers in a COVID-19 rescue package that could be approved next month. The Trump administration has privately discussed a \$1 trillion measure to stimulate jobs growth.

### **Unemployment Benefits:**

Extending unemployment benefits and creating “return-to-work” bonuses are among plans being floated for the next phase of relief legislation. The most controversial part of this discussion revolves around whether to extend the additional \$600 weekly payments. The CARES Act law established the pandemic related unemployment benefit programs. The House Democrats Heroes Act bill would extend those programs, as well the additional \$600 per week payment through Jan. 31, 2021. McConnell has made it clear that the additional \$600 weekly payment is a non-starter. Senate Finance ranking member Ron Wyden (D-OR) has proposed automatically adjusting benefits depending on a state’s unemployment rate.

There are additional proposals for return to work bonuses, employee retention credits, and paycheck guarantees including Senator Rob Portman’s (R-OH) 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.

### **Bottom Line:**

Senate Republicans and the Administration want to determine whether existing relief programs are working before committing to another package, however, it is safe to say that there will likely be another COVID-19 relief package in late July/early August. Stay tuned.

### **PMAA URGES CONGRESS TO MAINTAIN NOL TAX CHANGES**

On Monday, PMAA joined the National Mining Association and other associations in a [letter](#) to encourage the Senate Finance Committee to maintain the CARES Act provision concerning net operating losses (NOL) despite efforts to change that provision.

As you know, Congress included changes to the tax rules for NOLs in the CARES Act by providing a five-year carryback for NOLs generated in 2018, 2019, or 2020. In addition, the Act suspends for 2018, 2019, and 2020 the otherwise applicable limitations on excess business losses for noncorporate taxpayers. The NOL carryback provisions have long been bipartisan tools utilized by lawmakers to provide liquidity and are routinely expanded during times of economic dislocation. We urge Congress to protect American jobs by preserving the NOL carryback and suspension of limitation of excess business loss provisions contained in the CARES Act.

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

PMAA continues to urge 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](#) to urge your lawmakers for liability protection in a future COVID-19 response bill.

### **FREE WEBINAR ON OBTAINING USDA HIGHER BLEND INFRASTRUCTURE INCENTIVE GRANTS**

Petroleum marketers interested in applying for a U.S. Department of Agriculture (USDA) Higher Blend Infrastructure Incentive Program (HBIIIP) grant can join a free webinar detailing the benefits of the program and providing important tips on the grant application process. The USDA is offering up to \$100 million in grants under the HBIIIP to help transportation fueling and biodiesel distribution facilities convert to higher ethanol and biodiesel blends. The USDA will do this by sharing costs for installation of compatible fuel dispensers and related underground storage tank equipment and infrastructure.

The webinar is tailored to both retail fuel sites and bulk plant operations and will be held on June 30, 2020 at 2pm eastern time. Click [here](#) to access the webinar.

### **NEW STUDY PROVIDES DETAILED INFORMATION ON LOCAL, STATE AND REGIONAL ELECTRIFICATION CONVERSION PROGRAMS NATIONWIDE**

A new report by the American Council for an Energy-Efficient Economy (ACEEE) provides comprehensive data from 23 state and regional programs promoting space heating electrification conversions. The ACEEE report is a valuable resource for understanding how individual local state and regional electric conversion programs work. The report includes detailed program by program information including funding sources; number of rebates issued; number of customers converting; electrification technologies included demographic sectors targeted; eligible fuels for conversion and the kind of incentives provided.

According to the report, electrification is growing rapidly throughout the Northeast and West Coast regions and is beginning to make inroads in the Mountain States and Midwest as well. Electric utilities along with state and local governments are offering generous rebates to customers converting their space heating systems from heating oil, propane, and natural gas to electric heat pumps. The nationwide combined total for all electric conversion budgets this year is \$109 million, up nearly 70 percent from last year. The report presents program data in both narrative and graphic forms.

Click [here](#) and [here](#) for additional information.

### **HOUSE DEMOCRATS RELEASE ENERGY TAX INCENTIVES PACKAGE**

Yesterday, House Democrats released their energy tax incentives proposal known as the Growing Renewable Energy and Efficiency Now Act (GREEN Act, H.R. 7330) which is similar to the energy tax provisions included in the Democrats' infrastructure legislation. The 94-page bill includes tax credit extensions and expansions for low- emission energy sources. Wind, solar and biodiesel blender's tax credits would be extended, as would the tax credit for carbon dioxide capture and storage, and energy efficiency measures for homes and businesses. The GREEN Act would also raise limits on the electric vehicle tax credit as well as charging infrastructure.

Click [here](#) for a full summary.

### **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.

# **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

### **WPMA MEMBER SERVICES**



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**Petro Pete: “Whatever the mind of man can conceive and believe, it can achieve.”**

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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.