

August 22, 2025

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FALL GOLF EVENTS YOU DON'T WANT TO MISS!**SEPTEMBER 17 - ECAN (Nevada)**Little Dogs Golf Event at Lakeridge Golf Course
Reno, Nevada[Click here to register for Little Dogs](#)**OCTOBER 3 - HEMA - (Hawaii)**Golf Tournament at The Royal Ka'anapali Course
Lahaina, Hawaii[Click here to register for HEMA Golf](#)

The following information provided by:
EMA-Energy Marketers of America

**Energy Marketers Oppose FDA's Proposed Nicotine Reduction Rule: A Threat to Small Businesses and Public Safety**

On January 16, 2025, the Food and Drug Administration (FDA) published a proposed rule, "Tobacco Product Standard for Nicotine Yield of Cigarettes and Certain Other Combusted Tobacco Products" (Docket No. FDA-2024-N-5471), which would cap nicotine levels in cigarettes and machine-made cigars at 0.70 milligrams per gram of tobacco. The Energy Marketers Association (EMA), alongside 48 state and regional energy marketing trade associations representing tens of thousands of small business convenience store owners, strongly opposes this rule because it is impractical, unsupported by evidence, illegal under federal law, and detrimental to public health, the economy, and regulated markets.

The Family Smoking Prevention and Tobacco Control Act (TCA) explicitly prohibits the FDA from banning cigarettes or reducing nicotine levels to zero, including actions with equivalent effects. The proposed rule, by setting an unattainably low nicotine cap, would effectively eliminate nearly all consumer-acceptable cigarettes and machine-made cigars. Research shows that very low nicotine cigarettes are widely rejected by adult tobacco consumers and may not be feasible to produce at scale, rendering the rule a de facto ban in violation of the TCA.

Moreover, smoking rates in the U.S. are at historic lows. According to the CDC's 2024 National Youth Tobacco Survey, overall youth smoking is at 1.4%, with high school cigarette smoking at just 1.7%, a 95% decline since its peak in the mid-1990s. Responsible retailers have played a pivotal role in this progress by verifying age, selling only FDA-regulated products, adhering to marketing restrictions, and paying required taxes. Further reductions can be achieved through education and increased access to reduced-risk alternatives like e-cigarettes and nicotine pouches, not prohibitionist measures.

The proposed rule threatens to destabilize the tobacco supply chain, causing irreparable harm to farmers, manufacturers, distributors, retailers, and state and local economies. A December 2024 Tax Foundation study estimates that the rule would reduce legal cigarette sales by 90%, costing governments approximately \$33 billion annually in tax revenue from a current total of over \$37 billion. Additionally, a National Association of Tobacco Outlets (NATO) report from Chmura Economics & Analytics, dated December 12, 2024, projects the loss of 154,478 jobs and \$21.7 billion in annual revenue losses for state and local governments, including excise taxes, sales taxes, and Master Settlement Agreement payments.

The ripple effects extend beyond tobacco. Small business gas station owners, who rely on tobacco sales for revenue, may struggle to pay for fuel deliveries, potentially disrupting motor fuel supply chains and driving up prices at the pump. These small businesses, already operating on thin margins, cannot absorb such losses without severe consequences. EMA argued rather than pursuing prohibitionist measures, the FDA should adopt a Tobacco Harm Reduction policy that prioritizes preventing underage use, supports adult choice, and maintains a legal, regulated market. Responsible retailers have demonstrated

success in reducing youth access to tobacco while offering FDA-regulated products. Expanding access to reduced-risk alternatives and investing in public education would further drive down smoking rates without destabilizing economies or empowering criminal networks.

EMA urged the FDA to withdraw this flawed proposed rule and engage with stakeholders to develop evidence-based, practical solutions.

[Click here](#) to read EMA's comments.

Legislation Introduced to Deem E15 Compatible with Existing UST System Infrastructure and Remove E15 Labeling Requirement

Before Congress left town for August recess, bicameral and bipartisan legislation was introduced by Midwestern lawmakers known as the [Ethanol for America Act](#) which would deem E15 compatible with existing UST system infrastructure and which would remove the E15 fuel label requirement at the gas pump. Representatives Adrian Smith (R-NE) and Nikki Budzinski (D-IL) lead the charge in the House while Senators Joni Ernst (R-IA) and Amy Klobuchar (D-MN) introduced a companion bill in the Senate.

The *Ethanol for America Act*, if enacted, would direct EPA to finalize within 90 days a 2021 proposed rule to approve existing fuel infrastructure as E15 compatible, removing the need for marketers to upgrade or replace equipment to offer E15 for sale, and to eliminate the E15 pump label to eliminate regulatory confusion. A coalition of lawmakers also sent a letter to EPA Administrator Lee Zeldin, advocating for the swift promulgation of the 2021 proposed rule, highlighting that E15 can save consumers up to 30 cents per gallon without requiring significant infrastructure changes for retailers.

Since 1988, EPA UST system regulations have required the fuel to be stored in UST systems to be compatible with system's materials of construction. Underground storage tanks are one of the many components in a UST system for which gas station owners must ensure compatibility. In addition to UST systems, fire codes require motor fuel dispensing systems (including hoses, nozzles, swivels, and break-aways) to be compatible with the type of fuel dispensed. Surveys have shown that the cost of inspecting and making necessary upgrades to bring existing UST systems into compliance with the National Fire Protection Association (NFPA) and UL specifications can cost \$250,000 or more per UST system. Unfortunately, the costs to upgrade UST systems and dispensers that support E15 sales create significant economic burdens for these business owners. Additional funding is needed to ensure safe and efficient UST systems are in place to allow all fuel marketers to offer and sell E15.

This reality is supported by [EPA's January 2020 opinion entitled E15's Compatibility with UST Systems](#), which states, "[m]ost older and even some newer existing UST systems (which includes but is not limited to tanks, pumps, ancillary equipment, lines, gaskets, and sealants) are not fully compatible with E15 and require modification before storing E15. For example, the actual tank is often compatible with E15, but some of the many piping joints and connectors and pump, dispenser, and release detection components may not be." Fuel compatibility is essential not only for supplying fuel to end users through existing petroleum storage and distribution infrastructure, but also to meet customer expectations for quality, performance, and operability.

[Minnesota](#), [Iowa](#) and [North Dakota's](#) data include the entire UST system components: tanks, product lines, release detection components, submersible pumps, probes, drop tubes, spill buckets, dispenser hanging hardware, piping, glues, seals, gaskets, and dispensers. In Minnesota alone, the estimated cost to upgrade UST systems is over \$1 billion. The [Nebraska fire marshal's](#) data includes only the tank (most tanks are E100 compatible but 381 tanks in Nebraska still need to be replaced). UST replacement costs can exceed \$250,000 per UST system which is an extremely high cost for small businesses to provide consumers with the option to purchase E10 plus blends. The introduced legislation does not provide any liability protection.

To ensure underground storage tank (UST) systems and dispensers are compatible with higher ethanol blends (E15), Congress needs to appropriate hundreds of millions for small to medium sized companies to make necessary upgrades. In October 2024, Senators Joni Ernst (R-IA) and Amy Klobuchar (D-MN) sent a letter to the USDA requesting additional funding through the Commodity Credit Corporation (CCC) to extend the Higher Blend Infrastructure Incentive Program (HBIIP). This program helps retail store owners purchase the infrastructure necessary to provide E10 and B20 plus blends at the pump and B20 plus blends for heating fuel distribution facilities. HBIIP grants support transportation fueling, fuel distribution, and home heating oil distribution facilities, lowering out-of-pocket costs for businesses to install or upgrade fuel dispensers, storage tanks and systems, and other related equipment.

Unfortunately, the current HBIIP funding of \$500 million is insufficient to support the small business energy marketers who must make compatibility upgrades. Further, small businesses must invest significant resources to pursue HBIIP funding. The cost to hire a grant writer ranges from \$5,000 - \$10,000 and applicants are dedicating an average of 80+ work hours completing these applications. Small and medium sized businesses do not have the time or resources to compete with large corporations for USDA grants. By increasing HBIIP funding and including a preference that a portion of the funds be for the smallest businesses, energy marketers across the country can make necessary infrastructure upgrades to remain competitive.

EMA's Fall Meeting at the NACS Show 2025: October 13-14: Website and Registration Open!

EMA will hold its Fall Meeting in conjunction with the NACS Show on October 13-14 at the InterContinental Chicago Magnificent Mile.

The EMA meeting will begin with a New Attendee Orientation/Federal Legislative Update mid-afternoon on October 13. The NACS/EMA Reception Salute to State Association Executives (all EMA members are welcome) will follow at the McCormick Place Convention Center in the Hunter Club Lounge. On the morning of October 14, there will be a Buffet Breakfast followed by Region and Committee Meetings. The EMA Board of Directors meeting is scheduled after the Distinguished Service Award Luncheon honoring Louisiana Marketer and EMA's Past Chair Grady Gaubert sponsored by **EMA Board of Director Council Partner Federated Insurance**.

An invitation was sent to your inbox on July 8. Responding to the links on the invitation email is the recommended way to register. Housing registration deadline is September 19, 2025 (Subject to Change) for Sunday, October 12, rooms are sold out, for Monday, October 13, 71 percent is sold out, for Tuesday, October 14, 67 percent is sold out and for Wednesday, October 15, 58 percent is sold out so please do not delay in making plans! Members have access to all other hotels with availability in the block. If the general block has rooms, you will continue to see those options.

[Click Here for EMA's Fall Meeting at the NACS Show Information!](#)

Remember, the NACS Show registration is separate from EMA's Fall Meeting registration.

Special EMA Members Code for NACS Show 2025 Registration

[Click Here to Register for the NACS Show and Use the EMA Promocode:2025EMANS](#)

Using the **2025EMANS** code provides EMA with \$100 for every retailer or marketer paid registration at any rate. **EMA encourages EMA state execs to promote and share with your state association's member companies.** [Click here](#) for the flyer.

****Please note that EMA state execs are comped for NACS Show registration. Additionally, the NACS Show registration is separate from EMA's Fall Meeting registration.**

[Click here](#) for full instructions to register. Questions registering for NACS Show? Contact NACS Show registration customer service at nacs@maritz.com or 469-513-9489, Monday-Friday, 9:00 a.m. - 5:00 p.m. EST, for assistance.

Weekend Reads

[EPA Set to Issue Biofuel Waivers for Small Refiners | OILPRICE](#)

[How California plans to boost EVs with no federal help | Los Angeles Times](#)

[New Yorkers fighting against massive battery storage plants find new ally in EPA chief Lee Zeldin | msn](#)

[FDA Denies Marketing for blu Disposable E-Cigarette | FDA](#)

[USA EIA Sees WTI Oil Price Under \\$48 Per Barrel in 2026 | Rigzone](#)

Federated Insurance Employment Practices Network HR Question of the Month

Federated Insurance's HR Question of the Month focuses on employment-related practices liability issues. This month's question is: Temperature Sensitivity. During the hot summer months, we turn on the air conditioning to keep our employees cool and comfortable in the workplace. We have one employee who, due to a disability, is sensitive to cold temperatures. Besides turning down the air conditioning (which other employees may complain about), what can we do in this situation?

The federal Americans with Disabilities Act requires private-sector employers with 15 or more employees to provide reasonable accommodation to qualified individuals with disabilities unless doing so would cause undue hardship. After receiving a request for reasonable accommodation, the employer and the individual with a disability should engage in an informal process to clarify what the individual needs and identify the appropriate reasonable accommodation. While the individual with a disability does not have to be able to specify the precise accommodation, they do need to describe the problems posed by the workplace barrier.



The Job Accommodation Network (JAN) is a service of the U.S. Department of Labor's Office of Disability Employment Policy that provides guidance on job accommodations and disability employment issues. JAN has identified potential [solutions](#) for individuals with temperature sensitivity. For example, JAN identifies the following solutions:

- Providing work areas with separate temperature controls;
- Heated clothing;
- Workstation space heaters;
- Flexible schedules; and
- Telework.

Additionally, suggestions from the individual with a disability may assist the employer in determining the type of reasonable accommodation to provide. Employers should also check for any applicable state and local laws that may apply. Employers may need to work with local counsel to ensure legal compliance.

For additional information or to discuss this in further detail, please contact your [Federated](#) regional representative or EMA's National Account Executive [Jack West](#) at 262.719.7750 for any additional information or risk management questions. **Federated is a Partner in EMA's Board of Directors Council.**

The HR Question of the Month is provided by Zywave®, a company wholly independent from Federated Insurance. Federated provides its clients with access to this information through the Federated Employment Practices Network with the understanding that neither Federated nor its employees provide legal or employment advice. As such, Federated does not warrant the accuracy, adequacy, or completeness of the information herein. This information may be subject to restrictions and regulations in your state. Consult with your own qualified legal counsel regarding your specific facts and circumstances.

At Federated Insurance, It's Our Business to Protect Yours®



The **WPMA NEWS** currently serves EIGHT independent petroleum and convenience store associations.

**WPMA NEWS MAGAZINE CURRENT
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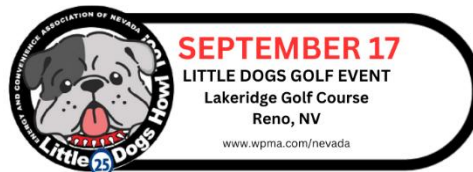
**EMA JOURNAL - The Official Publication of
the Energy Marketers of America**

Check out the EMA Journal anytime online by clicking [here](#).

The EMA Journal **SUMMER** issue is now available.

REGISTRATION OPEN

Click on the desired event below to register



PLEASE NOTE UPCOMING DATES FOR WPMA EVENTS

September 9-11, 2025 Utah (UPMRA) Convention - Park City Sheraton, Park City, UT

September 17, 2025 Nevada (ECAN) Golf Event - Lakeridge Golf Course, Reno, NV

October 3, 2025 Hawaii (HEMA) Golf Event - Royal Ka'anapali Course, Lahaina, HI

February 17-19, 2026 WPMAEXPO - MGM Grand - Las Vegas, NV

Member Services



Petro Pete: What does a Starbucks employee's job title change to in winter? A brrrr-ista!

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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: kimw@wpma.com Thanks.
