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PMAA SEEKS ADDITIONAL REGULATORY RELIEF FROM HOS AND ELD REQUIREMENTS

PMAA has asked the Federal Motor Carrier Safety Administration (FMCSA) to expand the existing 100 air-mile radius exemption from written log books under 49 CFR 395.1(e), in order to provide more flexibility in the driver hours of service regulations and to widen the existing exemption from electronic log book devices (ELD) for short haul drivers. Specifically, PMAA is asking the FMCSA to increase the existing 100 air-mile radius for exemption to 300 miles. The 100 air-mile exemption was established in the 1930's before the construction of the interstate highway system and the advent of modern, high speed truck equipment. PMAA told the FMCSA that the increase in air miles travelled is justified since today's drivers can easily travel 300 miles, go off duty within 12 hours and meet the required 10 consecutive hours necessary to qualify for the written log book exemption. Expanding the 100 air-mile radius would remove the single most costly regulatory burden requirement for small business petroleum marketers under the FMCSR by reducing the need for additional drivers and equipment. Since the short haul exemption under the new ELD requirement is tied to drivers using the 100 air-mile exemption under the HOS regulations, the change would increase the number of drivers that will be also be exempt from using ELDs. The change would be particularly helpful for rural drivers who must travel more than 100 air-miles to pick up supply.

PMAA also requested the FMCSA to interpret the ELD exemption to apply to drivers who stay within the maximum air-mile radius, return to their normal reporting location after 12 hours, and take the required 10 hours of consecutive rest regardless of whether they keep written log books. PMAA is asking for this interpretation because many short haul drivers, who would otherwise qualify for the air-mile radius exemption and thus the ELD exemption, often keep written log books anyway for enhanced compliance assurance, payroll purposes or simply to keep track of their on daily duty status. In other words, a driver should not be disqualified from either exemption for keeping a written log book for purposes other than to demonstrate compliance with the HOS requirements.

PMAA told the FMCSA that the two regulatory relief requests put forward by PMAA would save small business petroleum marketers in excess of \$30 million dollars in compliance costs while adding efficiency to the downstream petroleum supply distribution chain.

COALITION URGES THE PRESIDENT TO MOVE THE POINT OF OBLIGATION

This week, a coalition of eleven free-market and center-right organizations sent a [letter](#) to President Trump requesting a revamp of the Renewable Fuel Standard (RFS) by moving its point of obligation. Specifically, the letter states that "Major oil companies operating large chains of gas stations and large gas station retailers can blend their gasoline at a significant per-gallon price advantage over smaller, independent retailers. The smaller retailers who sell gasoline, but are unable to blend their own, purchase it at higher prices from the larger oil companies. Mid-size and independent refiners are required to purchase RINs to comply with the RFS from blenders or larger integrated oil companies. RFS plainly favors the large corporate sellers of gasoline over the smaller independent gas stations and smaller refineries. Moving the "point of obligation" would level the playing field between large oil companies and independent refiners as well as reduce the unfair advantage that the mandate gives large gas station chains over small mom-and-pop gas stations."

Furthermore, "As the price advantage for larger sellers of gas allows them to undercut the smaller retailers on price, more of the latter are going out of business, leaving consumers fewer choices of where to buy their gasoline. It is inevitable that fewer options will lead to higher prices. By forcing smaller retailers out of business, the RFS is not only unfair to the independent retailers, but it also a silent job killer that threatens thousands of American jobs."

Also, on the Hill, Pennsylvania Senators Casey (D) and Toomey (R), as well as 12 House members, [urged](#) President Trump to fix the RIN credit program because of the high compliance costs which may lead to refinery closures, jobs losses and increased fuel costs.

TRUMP SIGNS EXECUTIVE ORDER TO REDUCE OBAMACARE BURDEN ON SMALL BUSINESSES

Over the past forty-eight hours, the Trump Administration has taken two big actions on health care. First, on Thursday morning, the President issued an Executive Order directing the Secretaries of Labor, Treasury and Health and Human Services to "consider proposing regulations or revising guidance" to buck certain Obama-era regulations and expand the use and availability of association health plans, short-term limited-duration insurance and health reimbursement arrangements (HRAs). Then, yesterday evening, the Administration carried through on a threat it has been making for a number of months and announced that it will stop making the cost-sharing payments to health insurers that goes towards helping to pay the premiums for lower-income individuals enrolled in the Affordable Care Act (ACA) marketplaces.

PMAA will have more information later in the month.

LEGISLATION TO REVERSE JOINT EMPLOYER RULING GAINS MORE SPONSORS

This week, nine more House Republicans signed onto H.R. 3441 to limit the extent to which businesses can be held liable for labor violations committed by their franchisees or contractors. This would reverse the National Labor Relations Board's (NLRB) 2015 Browning-Ferris decision by narrowing the circumstances under which businesses can be classified a joint employer. Under Browning-Ferris, companies that exert only "indirect" control over franchisees may still be joint employers. The bill would revert to a standard of "direct" control.

The newest sponsors of the "Save Local Business Act" are Reps. Zeldin (NY); Woodall (Ga); McMorris Rodgers and Herrera Beutler of Washington state; Love (Utah); Latta (Ohio); Holding (NC); Comer (KY); and Banks of Indiana. H.R. 3441 was approved by the House Education and the Workforce Committee last week by a vote of 23-17 and is now awaiting Floor consideration.

In June, Labor Secretary Alexander Acosta announced that the Department of Labor (DOL) was withdrawing the Obama Administration's informal guidance on joint employment. The DOL's Wage and Hour Division issued the "administrator's interpretation" less than six months after the NLRB issued the controversial ruling in the Browning-Ferris Industries case that broadened a business's potential liability for the labor practices of third-party business partners. The Wage and Hour Division's January 2016 interpretation attempted to expand the concept of joint employer liability under federal wage and hour laws as well.

PMAA applauds Congress for moving forward to change the actual ruling and we applaud Secretary Acosta for withdrawing the guidance.

JUSTICE DEPARTMENT FIGHTING FOR KEystone XL PIPELINE

In March, the Trump Administration approved the Keystone XL Pipeline which finally allows construction of the pipeline to move forward. The 1,200-mile pipeline would ship crude oil from Canada to refineries along the Gulf Coast. This week, it was announced that the Justice Department is attempting to stop a lawsuit that would block the Keystone XL oil pipeline project, with government attorneys saying a federal judge has no authority to second-guess a presidential permit.

PMAA strongly supported development of the KXL Pipeline which has already had more than eight years of debate and multiple environmental impact studies that have shown the pipeline would have no effect on climate change. Even former Obama Administration EPA Chief Gina McCarthy said that the pipeline, if approved, would not be a disaster for the climate as some environmentalists have argued.

DEADLINE FOR DAKOTA ACCESS PIPELINE ENVIRONMENTAL REVIEW PUSHED BACK

A few months ago, the Dakota Access Pipeline began service which is bringing crude oil through the Midwest and into the U.S. Gulf Coast. The Dakota Access Pipeline is a 1,172-mile project stretching from North Dakota to Illinois with a daily capacity of 570,000 barrels of oil.

However, in June, a federal judge in Washington, D.C. ordered the Trump Administration to conduct further environmental reviews of the Dakota Access Pipeline but stopped short of halting oil-pumping operations pending further hearings beginning June 21. The decision was a limited victory to Native American tribes in North Dakota that challenged the administration's effort to speed the project. The court found that while the Army Corps of Engineers "substantially complied" with federal environmental laws, "it did not adequately consider the impacts of an oil spill on fishing rights, hunting rights, or environmental justice, or the degree to which the pipeline's effects are likely to be highly controversial."

However, last week, federal lawyers said that the government's court-ordered environmental review of the Dakota Access pipeline will be complete by next spring, not this year, as previously expected. In a court filing, the Army Corps of Engineers said it was pushing back its review schedule while it waits for new oil spill modeling from the developers of Dakota Access. The lawyers stated that "Given the current expected time frame for the receipt of additional information, the Corps now anticipates that its review and analysis of the remand issues will not conclude until approximately April 2, 2018. The Corps is actively working on ways to shorten this timeline."

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- June 5-7, 2018** – MPMCSA Convention & Expo – Fairmont, MT
- 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
- August 20-22, 2018** – New Mexico (NMPMA) Convention – Sandia Resort & Casino, Albuquerque, NM
- September 12-14, 2018** – Utah (UPMRA) Convention – Doubletree by Hilton, Park City, UT

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