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**SENATE PASSES THREE PERCENT WITHHOLDING REPEAL BILL**

On Thursday the Senate approved the House-passed, H.R. 674, that repeals the withholding tax on contractors doing business with federal, state, and local governments by a vote of 95 - 0, with one voting present. This is a big victory for PMAA and small businesses across the country.

Before final passage, an amendment to H.R. 674 was approved to include tax credits for veterans hiring and a Treasury study of tax delinquency among federal contractors. Because the Senate amended H.R. 674, the bill must go back to the House for final approval before going to President Obama for his signature. Given that the House overwhelmingly passed H.R. 674 by a vote of 405 – 16 recently, it's likely that the House will pass the bill. H.R. 674 is deficit neutral because House Leadership was able to combine H.R. 674 with H.R. 2576 that has bipartisan support, into one measure. H.R. 2576 offsets the three percent withholding mandate by adjusting the income qualifications for purposes of determining eligibility for certain healthcare-related programs, such as Medicaid.

Although chances of passing look great, please continue to email the House of Representatives or call the Capitol Hill switchboard at 202-224-3121 to urge them to repeal the 3 percent withholding mandate. The House will be in session next week and will likely take up the 3 percent withholding bill. The Obama Administration has indicated its support for H.R. 674.

**SENATE COMMITTEE PASSES TRANSPORTATION SPENDING BILL**

On Wednesday, the Senate Environment and Public Works Committee approved the "Moving Ahead for Progress in the 21st Century" (MAP-21) (S. 1813) by a vote of 18 – 0 which would authorize \$85 billion for FY 2012 – 2013 for transportation spending programs. The measure maintains transportation spending at current levels for two years. Other Senate Committees have jurisdiction over transportation spending which is expected to total \$109 billion. The Senate Finance Committee will still need to find an additional \$12 billion to offset the gap between funding authorization and actual revenues expected from the Highway Trust Fund.

More importantly, there were no amendments to the transportation spending bill which would allow for the commercialization of rest areas. Only one amendment by Senator Bernie Sanders (I-VT) would require the Department of Transportation to submit a report on the viability of an electric car charging network. PMAA, along with the Partnership to Save Highway Communities, are opposed to any kind of electric car charging at rest areas and support a private sector solution.

Also included in S. 1813 was an amendment which would provide additional places for truckers to park and sleep by allowing state to spend a portion of their federal highway allocations on rest stops for truckers. Although no authorization funding level was specified in S. 1813, the provision was mirrored after Rep. Paul Tonko's (D-NY) bill in the House which would provide upwards of \$120 million in grants for truck parking facilities.

The current short-term extension of transportation spending programs including the motor fuels excise tax and the leaking underground storage tank (LUST) tax expires on March 31, 2012.

**PMAA URGES CONGRESS TO FULLY FUND CFTC**

On Thursday, PMAA, along with several Commodity Markets Oversight Coalition (CMOC) members and Americans for Financial Reform members, sent a [letter](#) to Chairman Richard Durbin (D-IL) and Ranking Member Jerry Moran (R-KS) of the Senate Appropriations Subcommittee on Financial Service and General Government and Chairman Jack Kingston (R-GA) and Ranking Member Samuel Farr (D-CA) of the House Appropriations Subcommittee on Agriculture, Rural Development, FDA and Related Agencies regarding funding for the Commodity Futures Trading Commission (CFTC). Both Subcommittees hold jurisdiction over CFTC funding.

PMAA urged the Subcommittee leaders to at minimum provide \$240 million which the Senate Appropriations Subcommittee on Financial Services and General Government approved earlier in the year for FY 2012, a \$38 million (or 19 percent) increase from the CFTC's current spending level.

The House slashed FY 2012 funding for the CFTC to \$170 million from its current level of \$202 million in an attempt to delay implementation of the Wall Street Reform Act which includes necessary reforms to the over-the-counter (OTC) oil futures market. The \$170 million appropriated for the CFTC is 15 percent less than 2011 levels, and 44 percent less than the Administrations' budget request of \$308 million.

PMAA, NEFI and members of the Commodity Markets Oversight Coalition (CMOC) will continue to press Congress for the

full 2012 funding level of \$308 million, but this funding level seems unlikely given Congress' appetite to cut federal spending.

### **COMPLIANCE WITH FDA TOBACCO RULES HIGH AMONG RETAILERS**

The US Food and Drug Administration (FDA) [announced](#) on Thursday that it has conducted more than 27,500 inspections of tobacco retailers and found that compliance with the rules are high, though approximately 1,200 retailers have received warning letters from the FDA for not complying with the tobacco regulations. Warning letters may be followed by fines if retailers continue to violate the regulations.

This year the FDA has awarded compliance contracts to 38 states. More information about FDA inspections is available on the [FDA web site](http://www.fda.gov/TobaccoProducts/GuidanceComplianceRegulatoryInformation/ucm232109.htm) at <http://www.fda.gov/TobaccoProducts/GuidanceComplianceRegulatoryInformation/ucm232109.htm>.

### **US COURT OF APPEALS UPHOLDS HEALTHCARE LAW**

On Tuesday a three-judge panel of the US Court of Appeals for the District of Columbia affirmed the constitutionality of the healthcare law in a 2-1 vote. The court dismissed the challenge from the American Center for Law and Justice that the individual mandate violates the constitution. Two judges, one appointed by President Carter, the other by President Reagan wrote in the opinion that Congress can "forge national solutions to national problems." The dissenting Judge was appointed by President George W Bush wrote that the court does not have jurisdiction until 2014 when the mandate kicks in. He did not comment on the merits of the law.

As PMAA has reported before, this issue is the subject of many lawsuits. Several federal Appeals Courts have ruled differently on the constitutionality of the individual mandate. The US Supreme Court could decide next week whether it will get involved.

### **FEDERAL JUDGE PUTS FDA TOBACCO ADVERTISING RULE ON HOLD**

On Monday, US District Judge Richard Leon issued a temporary injunction blocking the Food and Drug Administration (FDA) from requiring tobacco companies to use graphic warning labels on tobacco packaging and advertising. The rule was set to take effect September 22, 2012. The injunction stays the effective date until 15 months after the final resolution of the legal challenge.

The rule requires the warning labels appear on cigarette packaging and advertising .The new warning labels will replace the Surgeon General's warning on cigarette packaging and advertising.

PMAA has reported previously on the [rule](#). Beginning October 22, 2012 (30 days from the effective date), cigarette manufacturers will no longer be permitted to put into commerce cigarettes without the new warnings on their packaging and retailers will no longer be allowed to advertise cigarettes without the new warning labels. Retailers may continue to sell their existing stock of cigarettes that do not include the warning labels without penalty.

The five tobacco companies charge that the rule is an abridgement of their First Amendment. The tobacco companies would not have to comply until the courts can review it, likely setting up a final decision from the Supreme Court.

The federal government has required warning labels on tobacco products since 1966 with the "Cigarettes May Be Hazardous to Your Health" label. Judge Leon said that the images and warnings went beyond the federal government's authority to require companies to disclose information. He wrote that the labels would amount to a "mini-billboard" for the FDA's "obvious smoking agenda."

### **SUPERCOMMITTEE SHOULD NOT BURDEN SMALL BUSINESS WITH SPENDING CUTS**

The Supercommittee, the group of 12 Congressmen and Senators tasked to cut the federal deficit, has until November 23 to submit their plan. PMAA has heard reports about certain items that could be cut including deductions and tax credits used by small businesses. PMAA recognizes the challenges that face the Supercommittee and they should remember small businesses in their districts as they complete their work.

### **WORLDPAY WARNS MARKETERS ABOUT PHONY RESEARCH CALLS**

A leading industry credit card processor Worldpay is urging petroleum marketers to be wary of phone calls from impostor research analysts asking questions on the impact of the Durbin debit card law. These callers are also asking for sensitive information about card processing including specific pricing information.

While this may be an attempt to gather information for legitimate purposes, we are advising marketers that this is also a method used by those seeking to collect information for criminal purposes.

Such attempts to surreptitiously gain information are often referred to "social engineering."

***To protect your company from a social engineering attack, you should become familiar with social engineering techniques. Some of these techniques may include:***

- Refusal to provide contact information "I cannot be contacted," "I only have a 'call out only' number"
- Rushing "I'm on my cell phone and the battery is about to die"
- Name-dropping "I have already spoken with (fill in the blank) company and they have provided information"
- Requesting forbidden information "What is your tax identification number?"
- Intimidation "I represent a government agency and I urge you to provide this information."
- Small mistakes (misspellings, misnomers, odd questions)

**Some of the steps you can take to avoid falling prey to these techniques include:**

- Subscribing to Caller ID and using it to identify callers
- Controlling overseas long distance service to phones whenever practical
- Trusting your instincts and being suspicious when things that don't quite add up
- Advising your employees to be on guard as soon as you become aware that you may be a social engineering target
- Having a response plan prepared in case you or one of you employees becomes the victim of a social engineering attack – let employees know who to notify.

Once again, while there are many legitimate uses for your merchant processing data, we recommend marketers exercise their best judgment when answering questions of individuals seeking information on marketers business.

**YOU CAN CONTRIBUTE!**

WPMA welcomes industry-related articles, editorials and comments for publication in *Western Petroleum Marketers 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.

**WPMA CONVENTION LANYARD SPONSORSHIP AVAILABLE**

Would you like to boost your visibility at the 2012 Western Petroleum Marketers & Convenience Store Expo? Our EXCLUSIVE sponsorship for the 2012 WPMA Convention lanyards would give you just that, for a cost of \$5,000. Your company will receive the benefits of the convention Sapphire Sponsorship, which includes two banners hung in the trade show area (provided by you) and listing on convention signage and in the Expo Program as a Sapphire Sponsor (a \$2500 benefit). This is a year-round sponsorship, since we will use the lanyards at all of our 2012 state conventions in Idaho, Montana, New Mexico, Utah and Washington, to increase your visibility.

We know this opportunity will bring a lot of exposure to your company, as everyone at the shows will be wearing YOUR lanyard. If you're interested please call Jamie Wood at (801) 263-9762 or email [jamiew@wpma.com](mailto:jamiew@wpma.com).

**WPMA CONVENTION SMART PHONE APP ADVERTISING OPPORTUNITIES**

WPMA is offering a unique way to give your company more visibility at the WPMA 2012 Convention and Convenience Store Expo, with an exclusive Smart Phone App sponsorship. For a \$3500 sponsorship fee, the smart phone app sponsor will receive a full-screen ad displayed for ten seconds every time the app is accessed. Included with this sponsorship is a scrolling banner ad, one of only ten ads that will scroll at the top of the screen when the WPMA convention app is in use.

The scrolling banner ad is a second advertising opportunity. Each banner ad will display on the smart phone for five seconds in random order while the WPMA convention app is in use. Only ten banners will be sold, so your name will be very visible to all who use the app. The WPMA Convention app received great reviews at the 2011 show, and we look forward to even more users this year.

For more information, to sponsor or to purchase a scrolling banner ad, please contact Jamie Wood at 801-263-9762, or e-mail [jamiew@wpma.com](mailto:jamiew@wpma.com).

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WPMA members can now save up to 32% on an expanded portfolio of UPS air and international Express shipping. That's a significant savings over FedEx published rates!\* Simple shipping! Special savings! It's that easy! For complete details or to sign up go to <http://www.wpma.com/partners/ups>.

## WPMA MEMBER SERVICES



### 2012 WESTERN PETROLEUM MARKETERS CONVENTION & CONVENIENCE STORE EXPO LAS VEGAS, NEVADA



Start planning now to attend the 2012 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada. Our keynote speaker will be Ben Stein. Mark your calendars for February 21-23, 2012.

Use the QR code to the left to go to the WPMA National Convention page.

### MARK YOUR CALENDARS FOR UPCOMING EVENTS IN 2012

**June 5-7, 2012** - MPMCSA Convention – Billings Hotel and Convention Center – Billings, Montana

**June 18-21, 2012** – WOMA Convention – Suncadia Lodge – Cle Elum, Washington

**August 1-3, 2012** – IPM&CSA Convention – Coeur d’Alene Resort, Coeur d’Alene, Idaho

**Petro Pete: “If winning isn't everything why do they keep score?”**

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