



June 7, 2019

WR-19-22

### **2019 Federal Heavy Highway Vehicle Use Tax**

The 2019 Heavy Highway Vehicle Use (HHVU) tax reporting year runs from July 1, 2019 to June 30, 2020. The HHVU tax is paid on each commercial motor vehicle with a gross vehicle weight of 55,000 pounds or greater that travels 5,000 miles or more per year. The HHVU applies to most petroleum cargo tank vehicles and transports. Once the HHVU tax is filed and paid, the IRS will send back a stamped IRS Form 2290 Schedule 1 within six weeks.

Click [here](#) to read PMAA's compliance bulletin.

### **Automakers Urge Trump Administration to Reopen Fuel Economy Talks with California**

Yesterday, auto manufacturers warned President Trump that he should tone-down the final rule to avoid a battle with California, calling the plan "untenable." In a letter, the automakers said, "For our companies, a broadly supported final rule would provide regulatory certainty and enhance our ability to invest and innovate by avoiding an extended period of litigation and instability, which could prove as untenable as the current program." Further, they stated, "We strongly believe the best path to preserve good auto jobs and keep new vehicles affordable for more Americans is a final rule supported by all parties — including California."

The final rule would freeze CAFE and corresponding greenhouse gas standards at 2020 levels and revoke the rights of individual states to adopt more stringent emissions standards. However, the rule will undoubtedly lead to a meeting in court between the Trump Administration and California. California and other states sued EPA over its decision last year to roll back the standards. That lawsuit is still pending. Administrator Wheeler hopes the litigation will proceed quickly which will give auto manufacturers certainty to sell 2020 model year vehicles at the Trump Administration standards.

Last October, PMAA submitted comments in support of the Trump Administration's proposed rule. PMAA highlighted numerous reasons why current CAFE standards could impact petroleum marketers and how important the Trump Administration's proposed rule is needed. Click [here](#) to read the comments.

Meanwhile, the House Appropriations Committee passed a FY 2020 Transportation, Housing and Urban Development (THUD) funding bill that includes a provision restricting the EPA and National Highway Transportation Safety Administration (NHTSA) from completing work on the rewrite of Corporate Average Fuel Economy (CAFE) standards. The vote passed along party-

lines over Republican objections to language in the bill that would prevent completion of the rule which is expected to be released later this month. One of the Republicans objecting to the bill, Rep. Kay Granger (R-TX), said that "we must work together to improve this bill by eliminating these riders."

### **RFS Does Little to Reduce Gas Prices – GAO**

On Monday, the Government Accountability Office (GAO), which provides auditing, evaluation and investigative services for the U.S. Congress, released a report on the RFS which concluded that the program has done little to reduce prices at the pump. Citing evidence from several studies, expert interviews and analysis, the GAO reported that states outside of the Midwest saw pump prices rise due to transportation costs and lack of adequate infrastructure. The GAO also analyzed historical RIN values and efforts to date to reform the RFS RINs market such as changing the point of obligation. Finally, the GAO concluded that the RFS has had a limited impact on reducing America's carbon footprint.

Click [here](#) to read the report.

### **Aderholt Amendment to Raise Federal Tobacco Purchasing Age to 21 Rejected**

On Tuesday, House appropriators rejected Rep. Aderholt's (R-AL) amendment to an FDA funding bill that would raise the federal age to purchase tobacco, including e-cigarettes, to 21 by a vote of 23-27. Rep. Nita Lowey (D-NY) opposed the measure because she said she didn't have enough time to review the amendment which was updated soon before the vote after criticism from anti-tobacco groups that said its definition of vapor products could leave a loophole that allowed laxer regulation of new products like Philip Morris International's heat-not-burn tobacco device IQOS. She also opposed the measure because it wouldn't take effect for two years. Democrats have said they generally support the idea, but said the problem needed to go through authorizing committees, not an appropriations bill.

Currently, 16 states and at least 450 localities have raised the legal age to purchase tobacco and e-cigarette products to 21. The PMAA Board of Directors voted recently to not take a position on raising the federal tobacco buying age to 21 and will defer to each state association to develop its own position.

### **Rep. Finkenauer Urges Congress to Extend Biodiesel Tax Credit**

At a House Ways and Means Committee hearing on Tuesday, Rep. Abby Finkenauer (D-IA) urged lawmakers to extend the biodiesel blender's tax credit. Rep. Finkenauer said, "There are many issues pending before this committee that are important to my constituents, but I want to focus my testimony today on what should be a bipartisan effort, and should have been done in the last Congress, which is the biodiesel tax credit." She added that "it is imperative that Congress extend the biodiesel tax credit and work with the Senate Finance Committee to get something done quickly."

In April, Rep. Finkenauer introduced bipartisan legislation (H.R. 2089,) known as the “Biodiesel Tax Credit Extension Act,” that would extend the biodiesel blender’s tax credit for 2018 and 2019. PMAA supports this important legislation.

The biodiesel tax credit expired on December 31, 2017 and has been in limbo since. Congress must act now to retroactively extend the credit for calendar year 2018 and through at least 2019.

Click [here](#) to urge your members of Congress to cosponsor H.R. 2089 to renew the tax credit.

### **Democrat Presidential Hopeful Introduces an All Electric School Bus Bill**

This week, presidential hopeful Senator Kamala Harris (D-CA) introduced legislation to transition the nation’s school bus fleet to run entirely on electric power. Sens. Bernie Sanders (I-VT) and Cory Booker (D-NJ), who are both running for the democratic presidential nomination, cosponsored the legislation known as the “Clean School Bus Act.” The bill aims to spend \$1 billion over five years to fund a Clean Bus Grant Program at the Department of Energy. While the legislation is expected to gain the support from the democratic party, the bill is likely dead on arrival in the GOP-controlled Senate.

Click [here](#) for more details.

### **NOAA Predicts Normal 2019 Atlantic Hurricane Season**

The National Oceanic and Atmospheric Administration (NOAA) recently said that they predict the 2019 Atlantic hurricane season will be near-normal. The NOAA outlook for the hurricane season, which occurs from June 1 to November 30, projects that there is a 40 percent chance of a near-normal season, a 30 percent chance of an above-normal season and a 30 percent chance of a below-normal season.

NOAA predicts that there will likely be between 9 and 15 named storms, 4 to 8 of which could be hurricanes. They say that of those hurricanes, 2 to 4 could be major hurricanes which include category 3, 4, or 5 hurricanes.

Click [here](#) to read more information on NOAA’s hurricane forecast.

### **May 2019 PMAA Small Business Committee (SBC) PAC Contributions**

PAC Co-Chairs Brad Bell and Tim Keigher are grateful for the PMAA Small Business Committee (SBC) PAC contributions from the following individuals during the May 1-31, 2019 time frame:

**Arizona:** Jason Davis

**California:** Jimm Cross, Ryan Hanretty, Thomas Van De Pol

**Connecticut:** Howard Peterson

**Kansas:** Gerald Chaput, Joyce French, Tom Palace, Gratz Peters, Marvin Spees, Donavan Stucky, Curt Wright

**Kentucky:** Michael Smith, Jeff Lykins

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**Minnesota:** Darin Adolphson, Bruce Bott, Rick Dehn, John Derichs, Lonnie DeZwarte, Rick Gappa, Dan Gerads, Mavis Hutt, Bruce Keckhafer, Vern Kelley, Jerry Leemkuil, Ann Leikam, Frank Orton, Tim Rahn, Jeff VanKooten

**Mississippi:** Philip Chamblee, Kirk Dickerson, John Fair Jr., Rex Gillis, Walton Gresham III, Thomas Gresham, Jeremy Holmes, James Lipscomb, Charles Morris, Joe Morris, Eric Prince, Isaac Sayle, Dan Smith, Sam Sumrall

**Montana:** Wes Burley

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**Utah:** Larry Hansen, John Hill, Gene Inglesby, David Jardine, Rick Reese, Jim Westring

**Vermont:** Matt Cota

**Virginia:** Jeffrey Leiter, Bradley Norman, Michael O'Connor, Lewis Wall Jr.

**Washington:** Brad Bell, Steven Clark, Chris Eerkes

**Wisconsin:** Matt Hauser, Daniel Loeder

**Federated Insurance Risk Management Academy<sup>SM</sup> Offered August 6-8, 2019**

Federated Insurance is offering complimentary risk management training *for all industries* on August 6-8, 2019. Through this valuable session, you will discover methods you can use immediately to help protect profits by reducing risk at your business.

Companies that are the most successful at controlling losses and protecting profits have integrated risk management into their overall company culture. Many have designated a key person as their risk manager. This person is supported by your company's top management and is both responsible and accountable for identifying loss exposures and implementing risk management solutions.

This seminar's objective is to help your risk manager learn the exposures specific to All Industries, connect with peers from across the country and apply these best practices within your business.

*"Attending this training is one of the best investments you can make to help protect your business and its bottom line!" 2019 RMA Attendee*

You can learn more by viewing a brief [video](#) about the Risk Management Academy. To [reserve your spot](#) in the upcoming session or for more information, please contact [Royetta Spurgeon](#) or (800)533-0472 Ext. 455-5604 or visit [Federated's website](#). **Federated is a PMAA Corporate Platinum Partner.**

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## **PMAA MDF Contributors for May 2019**

PMAA's Marketer Defense Fund wants to thank the following individuals for their Marketer Defense Fund (MDF) contributions during the May 1- 31, 2019 timeframe:

**California:** Vince Reiser

**Florida:** Don Everett, Jr.

**Kansas:** Butch Stucky

**Louisiana:** Grady Gaubert, Anne Gauthier, Darrel McCartney

**Minnesota:** Dave Szymanski

**Mississippi:** Mississippi Petroleum Marketers & Convenience Stores Association

**Missouri:** James Maurer

**Nebraska:** Mark Whitehead

**NEFI:** Roberta Fagan

**New Jersey:** James W. Pierson

**North Dakota:** Mike Rud

**Oregon:** Oregon Fuels Association

**South Carolina:** Richard Clark, Dennis Curtis

**Tennessee:** Tommy Hunt, Emily LeRoy, Mark McBride, Tennessee Fuel & Convenience Store Association

**Virginia:** Bob Bassman, Mike O'Connor, Lewis Wall Jr.

**Wisconsin:** Matt Hauser

Corporate donations are acceptable. MDF funds have been used for various studies, litigation and disaster relief dedicated to strengthening our lobbying efforts on Capitol Hill. Click [here](#) to donate to the PMAA MDF.

## **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: **Required to Provide Application?** If someone comes in asking for an employment application but we are not hiring for any positions, are we still required to give them an application? Please click [here](#) to read the response.

For additional information or to discuss this in further detail, please contact your Federated regional representative or PMAA's National Account Executive Jerry Leemkuil at 800.533.0472. [Federated is a PMAA Corporate Platinum Partner.](#)

## **PMAA Member Services Spotlight Featuring: Laborchex**

### ***Pre-employment Background Checks - "Best Practice" for Employers***

In today's changing times, employers are expected to know as much as they can about applicants in order to make the best possible hiring decision possible. Pre-employment

background checks has emerged as a “Best Practice” for employers to meet due diligence requirements to hire safe, qualified employees and reduce negligent hiring exposure. The U.S. Department of Homeland Security now recommends background checks in all areas of employment.

Please read more about Laborchex’s recommendations on background checks [here](#). ***Please note that the general information provided is not a substitute for legal advice. Please consult with your legal counsel regarding these topics and other general employment questions.***

Laborchex, a PMAA Vendor and a **PMAA Corporate Bronze Partner** who has been serving clients nationwide since 1991, provides a program of background checks for PMAA members. For more information and to discuss your needs, please email PMAA’s Account Consultant [Ricky Rayborn](#) or call him directly at 601.832.2174 or [visit](#).