

P M A A W E E K L Y REVIEW

August 2, 2019

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FMCSA Set to Revise Medical Examiners Handbook Used for Driver Medical Certification

The Federal Motor Carrier Safety Administration's (FMCSA) revision to CDL driver medical examiner guidelines is nearing completion. The Medical Examiners Handbook serves as a guideline for the more than 50,000 FMCSA certified medical examiners who use it to assess driver health during mandatory CDL medical examinations. The handbook offers the FMCSA's suggested best medical practices to evaluate medical conditions including, diabetes, sleep apnea and cardiovascular disease. It also offers the examiners information on regulatory requirements for such problems as high blood pressure, inadequate vision and poor hearing.

The Medical Examiners Handbook is important to petroleum marketers because the information it contains is often used to disqualify or limit driver certification when substituted for independent medical assessment individual drivers. Revisions to the handbook relating to sleep apnea are the most concerning to petroleum marketers. The guidelines refer to neck circumference and body mass index as disqualifying factors. It is important that the handbook does not adopt more restrictive sleep apnea guidelines that would threaten driver's medical certifications. Another area of concern are guidelines for blood pressure. Currently, the blood pressure guidelines use a 140/90 optimal standard. Possible reductions in blood pressure guidelines could present certification problems for a significant number of drivers. All proposed changes to the handbook must be open for public comment.

PMAA will be monitoring the changes closely for any revisions that would negatively impact the petroleum marketing industry.

Senate Committee Approves Highway Infrastructure Bill

This week, the Senate Environment and Public Works Committee unanimously approved a five-year surface transportation bill known as the "America's Transportation Infrastructure Act (ATIA) of 2019."

Of particular concern for PMAA, Section 1401 of the bill would create a \$1 billion grant program for states to deploy electric vehicle, hydrogen and natural gas vehicle charging stations along designated alternative fuel corridors. NACS and SIGMA said this week that the bill could allow electric utilities to double dip in which they charge their rate paying customers to expand EV infrastructure while also taking grant money to subsidize the same project. PMAA is also concerned that the grant program does not provide for the equitable distribution of funds or

account for other investment required for infrastructure changes that may be needed to accommodate EV and alternative fueling equipment such as upgrades to site utilities, adding land, and expanding paved areas and operating costs. In addition, the focus on alternative fuel corridors will result in a preference for grants to companies that have multiple sites distributed along major transportation routes. As with other grants for alternative fuels, small to medium c-stores will be placed at a competitive disadvantage.

Meanwhile, Senators Rounds (R-SD) and Ernst (R-IA) suggested adding biofuels and propane infrastructure to Section 1401, but the Senators did not formally introduce an amendment. The Senators argued that the current language would more greatly benefit coastal, high-income drivers without assisting biofuel producers.

Finally, PMAA is pleased that the legislation does not include language that would allow commercialization of rest areas. PMAA is strongly opposed to rest area commercialization and PMAA members have successfully killed all attempts over the last decade that would roll-back the prohibition on commercial services at rest areas.

Chairman John Barrasso (R-WY) has urged Majority Leader Mitch McConnell (R-KY) to bring the bill up for a vote before the end of the year. Before that can happen however, other committees will need to pass their portions of the bill, with the biggest challenge being the Senate Finance Committee, which must determine how to pay for the measure. The current surface transportation authorization expires on September 30, 2020. It is unlikely Congress will approve a highway bill that is funded before the November 2020 Presidential election.

EPA Administrator Defends Biofuel Waivers in Meeting with Farm State Senators

Last week, EPA Administrator Andrew Wheeler defended his agency's use of small refinery biofuel waivers that exempt refiners from complying with biofuel laws, insisting that the waivers have not had a negative impact on ethanol demand. The statements likely indicate that Wheeler will not back down from issuing further exemptions, even after President Trump ordered officials to review the waiver program after receiving complaints from corn and biofuel industry leaders.

Under the RFS, refiners must blend certain volumes of biofuels into their fuel each year or purchase credits from those that do. Small refineries with a capacity of less than 75,000 barrels per day can receive waivers if they prove that compliance with the RFS would cause them significant economic harm. The EPA granted over 40 SREs for 2016 and 2017 compliance years. Corn ethanol proponents and Midwestern lawmakers have urged the EPA to account for the biofuel gallons lost due to small refinery waivers by increasing the ethanol mandate as part of the upcoming reset of the RFS. Biofuel groups have argued that the numerous refinery waivers from 2016-2017 have indirectly reduced the ethanol mandate which have driven down RIN values and, therefore, weakened the market for E15. Senator Tammy Duckworth (D-IL) recently

asked the EPA's Office of Inspector General to investigate why the agency vastly expanded its use of waivers to exempt small refineries from the nation's biofuel law.

California Strikes Deal with Automakers to Strengthen Auto Emissions Standards

Last week, Ford Motor Company, BMW AG, Volkswagen AG and Honda Motor Company, reached an agreement with California on fuel efficiency rules, otherwise known as Corporate Average Fuel Economy (CAFE) standards. GM, the nation's largest automaker, did not take a position on the agreement, and Fiat Chrysler indicated that it wasn't invited to the discussion.

EPA quickly dismissed the move and said the Trump Administration would not be changing course on the issue. "This voluntary framework is a PR stunt that does nothing to further the one national standard that will provide certainty and relief for American consumers," EPA spokesperson Michael Abboud wrote in an email. "As the administration stated earlier this year, despite our best efforts to reach a common-sense solution with California Air Resources Board (CARB), they continually refused to produce reasonable and responsible proposals."

California and other states that have adopted its rules already sued EPA over its decision last year to roll back the standards. That lawsuit is still pending. Click [here](#) for the story.

Senators Reintroduce Bill That Would Repeal the Corn Ethanol Mandate Under the RFS

Last week, Senators Pat Toomey (R-PA) and Dianne Feinstein (D-CA) reintroduced the Restore Environmental Sustainability to Our Renewable Energy (RESTORE) Act that would abolish the corn ethanol mandate in the Renewable Fuel Standard (RFS). Sen. Susan Collins (R-ME) is also a cosponsor of the legislation.

In a statement regarding the legislation, Sen. Toomey said, "The ill-conceived RFS forces American motorists to buy billions of gallons of corn ethanol each year." He added, "This heavy-handed federal mandate drives up the price of gas and food, damages engines, and harms the environment. I hope all my colleagues will join this bipartisan effort." In her statement, Sen. Feinstein stated, "The federal corn ethanol mandate increases the cost of food and animal feed and contributes to climate change and it should be phased out." She added that America needs "to instead transition to advanced, lower carbon fuels for our transportation needs."

The RFS, first enacted in 2005, requires refiners and blenders to use over 19 billion gallons of renewable fuel this year. Approximately 80 percent of this total will be met by the use of corn ethanol.

According to the Senators, there are three key problems with continuing to mandate the consumption of more and more corn ethanol each year:

- Corn consumption: Approximately 40 percent of the U.S. corn crop is now used to produce ethanol, artificially inflating food and feed prices while damaging the environment.
- Blend wall: As gasoline consumption declines, refiners face a "blend wall" when the RFS mandate exceeds the limit at which ethanol can be blended into the fuel supply, determined to be 10 percent of total gasoline consumption. Anything beyond ten percent ethanol can damage engines.
- Negative environmental impacts: Unnecessary mandates incentivize cropland expansion, which interrupts ecosystems via deforestation, habitat destruction, and, in some cases, diminished water quality or availability.

American Trucking Associations Release Driver Shortage Study

The American Trucking Associations (ATA) recently released findings on the current truck driver shortage in America. The analysis found that the trucking industry shortage was 60,800 drivers in 2018, up nearly 20 percent from 2017. The study reports that at the current rate, the shortage of drivers could grow to as much as 160,000 by 2028. Click [here](#) to view the findings from the ATA study.

In May, Rep. Crawford (R-AR), along with several other GOP lawmakers, sent a letter to the Federal Motor Carrier Safety Administration (FMCSA) to consider additional changes to hours of service modifications designed to increase driver availability and scheduling efficiency for petroleum marketers. Specifically, Crawford's letter urged FMCSA to extend the 100-mile radius short haul driver exception to 150 miles to reflect the maximum distance most CDL drivers in the petroleum industry travel to load supply. Extending the short haul exception would also exempt CDL drivers from the electronic logging device (ELD) mandate if they stay within 150 air miles. PMAA fully supported Rep. Crawford's letter and made this an important issue during PMAA's DC Conference and "Day on the Hill." Click [here](#) to read the letter.

Furthermore, PMAA supports a bill that was introduced earlier this year that would allow drivers under 21 years old to operate interstate. Federal law currently restricts interstate trucking to CDL holders 21 years and older. However, most states allow drivers 18 or 19 and older to operate intrastate. The DRIVE-safe Act, reintroduced by Rep. Trey Hollingsworth (R-IN) as well as Sens. John Tester (D-MT) and Todd Young (R-IN), would allow drivers 18 and older to operate across state lines, if they meet rigorous training requirements — at least 400 hours of on-duty time with 240 hours of driving time, with an experienced driver training them. Training would also be restricted to trucks equipped with active braking systems, video monitoring systems and speed limiters set to 65 mph or slower.

Supply Crunch of EV Battery Metals Would Be A Significant Obstacle in Meeting EV Targets

Recent research by energy consultancy Wood Mackenzie argues that battery raw materials could face a supply crunch by the mid-2020s. "Unless battery technology can be developed, tested, commercialized, manufactured and integrated into EVs and their supply chains faster

than ever before, it will be impossible for many EV targets and ICE (internal combustion engine) bans to be achieved – posing issues for current EV adoption rate projections,” said the Edinburgh, Scotland-based consultant firm last week. Click [here](#) to read the report.

Democrats Propose Increasing Payroll Taxes to Maintain Social Security Solvency

Last week, at a House Ways and Means Committee hearing, Social Security Administration Chief Actuary Stephen Goss told lawmakers that legislation to raise payroll taxes through 2043 would yield “sustainable solvency” for Social Security. Specifically, the “Social Security 2100 Act,” (H.R. 1902) would gradually increase the payroll tax rate to 14.8 percent from 12.4 percent and impose the tax on earnings over \$400,000 per year.

Democrats said Rep. Larson’s legislation will enact changes that would benefit future generations, while Republicans argued that the bill is nothing more than a tax hike that would hurt businesses, workers and the overall economy. Rep. Larson has said the House Ways and Means Committee will mark up his legislation when lawmakers return from the August recess in September. The bill is unlikely to pass a GOP-controlled Senate.

Announcing Our Fall Meeting Partner Sponsors!

PMAA wants to give a huge THANK YOU to our Fall Meeting 2019 Partner Sponsors: Federated Insurance, RAI Trade Marketing Services, Renewable Energy Group, Inc., Altria Client Services, Spirit® Petroleum and Meridian Associates, Inc.

We appreciate the loyalty and support of our PMAA Corporate Partners and their continuous commitment to the petroleum industry. For more information on our Partner Programs, please contact [Susan Isard](#).

Federated Insurance Risk Management Academy Webinar

Back to School - Employee Training: Tuesday, August 20, 2019, 1:00 p.m. CT

Every day people are injured in the workplace and on our highways. Each year billions of dollars of property are destroyed due to fire and employment related lawsuits are becoming more common every year. We are going to take a look at what can be done to help prevent these losses.

What you will learn:

This webinar will help you decide what to train your employees on and review some commonly used tools and resources that can make your training easier, effective and more efficient.

[Advanced registration](#) is required for this 30-minute webinar.

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.**

Make Your Plans Now to Join PMAA and NACS in Atlanta in September

Book your hotel reservations now for the 2019 NACS Show, October 1-4, 2019! The official housing agency for the 2019 NACS Show has up to 43 hotels offering discounted rates exclusively for NACS Show guests. NACS [secure online housing website](#) is available 24/7, and offers real-time availability with full hotel descriptions, amenity listings, distances from each hotel to the NACS Show venue, the Georgia World Congress Center, maps, and other information to help make your decision easier. Reservation acknowledgements will be emailed to you at the time you make your reservation.

The 400,000 sq. ft. expo is where you will discover thousands of the latest products and services that c-stores sell and use every day. The expo is segmented into six categories: Fuel Equipment & Services, Food Equipment & Foodservice Programs, Candy/Snacks, Facility Development & Store Operations, Merchandise and Technology. Each area of the expo gives you a one-of-a-kind, hands-on experience that can't be matched anywhere else.

The General Session on Tuesday, October 1 from 3:45 pm – 5:00 pm will feature **Keynote Jim Knight**. The General Session on Friday, October 4 from 8:00 am – 9:00 am will feature **Julie Jackowski and Keynote Daymond John**. All Speaker information for the 2019 NACS Show is now available [here](#). All NACS sessions will take place at Georgia World Congress Center.

In addition to online registration and housing, the [NACS Show website](#) features the latest information about exhibitors, housing, speakers, educational sessions and more. **Please note that the NACS Show registration is separate from the PMAA Meeting Registration.**

PMAA's Fall Meeting will be held on September 30-October 1 at the Hyatt Regency Atlanta. Click [here](#) for our **event website** for all details including registration with secure event payment processing through Cvent. If you have attended a PMAA Conference in the past, you will be receiving an invitation soon. Responding to this event email is the recommended method to register or decline.

PMAA's Journal is Digital Now

Our [Spring Issue](#) is available now! Our Summer Issue will be featured later this month. In addition to its printed version, PMAA Journal has been available in a new and improved digital format! Now the magazine can be easily viewed on any device, whether smartphone, tablet or computer screen! Scroll vertically through all the content in the magazine and easily select individual articles to read or share via the buttons at the top.

Want to see past issues? They can be found on the left side of your browser screen (or the top of your mobile device's window) - just one click and they're at your fingertips! Additionally, the

flipping-page digital version is still available and easily accessible through the menu bar in the upper left corner.

For information on advertising in this valuable format, please call 844.423.7272 or email [Innovative Publishing](#).

PMAA Member Services Spotlight Featuring: Laborchex
An Invisible Burden When Hiring Employees

When running a business, it takes money to make money. PMAA Members make decisions every day on where to invest your hard-earned cash for the betterment of your company. Employees are often your most valuable investment.

Hiring is extremely complex, and it takes a lot of skills, patience, time and money to find the right person to fill a position. There is one fact that all hiring managers understand, employee problems are caused by problem employees. Every new hire represents a huge investment as well as a potential risk to that employer.

Please read about the visible and invisible costs to hiring [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 Consultant [Kym Lewis](#) or call her directly at 800.880.0366 or [visit](#).