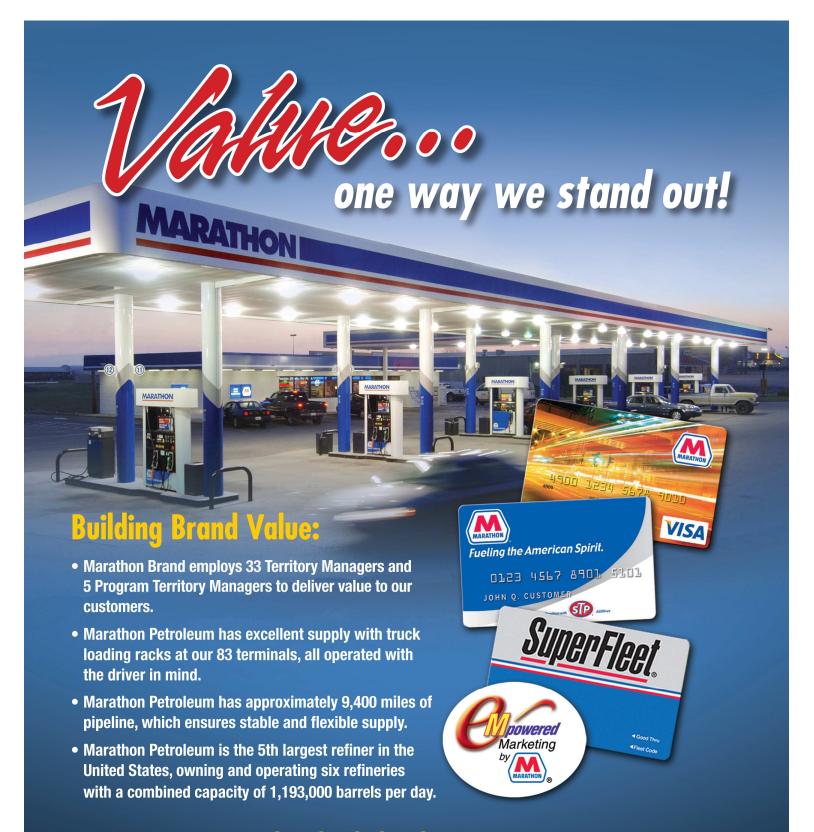


August 2014 Number 640

# Wishes Really Do Come True ... Through Your Generosity



# and the Make-A-Wish Foundation



For Brand and Wholesale opportunities visit www.marathonpetroleum.com



### From the President ...

It is so hard to believe that we are mid-way through August and our Make-A-Wish Campaign! We kicked off the month with Make-A-Wish events in Parkersburg, Clarksburg, Huttonsville, Beckley and Charleston. We would like to thank One Stop, Little General Stores, Par Mar Stores and Go-Mart for hosting these events. If star reorders are any indication, it looks as if we are having a very successful campaign! Thanks to all the retailers who are participating.

Our Children's Charity Golf Outing, which will benefit Make-A-Wish and Children's Home Society of West Virginia will be held September 24th and 25th at Glade Springs Resort. If you have not signed up to sponsor and attend this event, please do so. The registration forms are available on our Web site at www.omegawv.com. Also, if you have not made your room reservation at Glade Springs, you need to do so ASAP. We just extended our room block until August 25th. Please call 1-877-814-7316 TODAY!

Summer is nearly over! After Labor Day the election campaigning will really begin. The General Election we be held on November 4th.

We urge you to get involved in the election process. Educate yourselves on the candidates. Please feel free to call me if you would like more information on candidates or if you have information you would like to provide. I have a good deal of knowledge on the incumbents and have worked hard to learn about those new on the ballot.

Please consider making a donation to the **OMEGA PAC.** We support candidates who support our industries. It is important to financially support candidates in their quest to get elected. Keep in mind that this must be a personal check. Thanks to those who have given in 2014: Greg Rogers, Pat Graney, Marshall Bishop, Steve Roach, Greg Darby, Denny Huff, Denny Thompson, Mike Dawson, Jill Oliver-Thornton, Jim Linsenmeyer, Scott Parkes, Joe DeFazio, Jim Oppe, Thad Ours, Frank Lester, Randy Emanuelson, Sandra Morgenstern, Gov Graney and Mike Graney.

Jan

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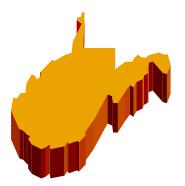
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## West Virginia News

## Governor Tomblin Announces Tenth Consecutive Reduction in Workers' Comp Rates: West Virginia Employers to Save \$32 Million this Year

Gov. Earl Ray Tomblin recently announced West Virginia employers will see a projected \$32 million in workers' compensation premium reductions in the coming year, and have seen a savings of more than \$280 million since the program was privatized in 2005. Recently the National Council on Compensation Insurance (NCCI) filed a proposed reduction in workers' compensation loss cost rates with the Offices of the West Virginia Insurance Commissioner - the tenth consecutive reduction in 10 years.

"We've worked hard in West Virginia to create a business climate that encourages companies to innovate, expand and create new jobs," Gov. Tomblin said. "With this rate reduction, our businesses are reaping the rewards of both lower taxes and lower workers' compensation insurance premiums. The new rates are an excellent sign that our state continues to move in the right direction for continued job growth."

NCCI, West Virginia's rating agent, has proposed an overall 9.1 percent loss cost rate decrease with the West Virginia Insurance Commissioner. The new loss cost rate is effective November 1, 2014.

"West Virginia is reaping the fruits of our labor from the reforms of the state's workers' compensation program," said U.S. Senator Joe Manchin. "Privatizing workers' compensation in West Virginia was one of my most rewarding achievements and impactful issues my administration addressed when I first arrived in the governor's office. I thank Governor Tomblin for his courageous efforts at the time as Senate president to help accomplish these reforms in 2005, and I truly appreciate his continued commitment and hard work as Governor. Now, our state has gotten its financial house in order, and we are living within our means, enjoying a steady revenue stream, and have once again become competitive in West Virginia and around the country."

This reduction serves as the tenth consecutive decrease in loss costs since privatization and accounts for a cumulative decrease of 58.7 percent from pre-reform levels.

"This rate reduction, and the related premium savings to employers, is a positive indication of the progress that has been made in our market," said Insurance Commissioner Michael D. Riley. "We are encouraged that our workers' compensation market continues to move in a positive direction for our businesses and their employees."

#### No Early Cuts in State Budget Preps Ahead of Next Fiscal Year

For the first time in years, state agency heads do not have to start work on their proposed budgets for the next fiscal year — FY2016 — by taking a big chunk right off the top.

Charlie Lorensen, chief of staff for Governor Earl Ray Tomblin's Administration stated according to the Governor's Office we are not requesting an across-the-board 7.5 percent cut like we have over the last two years. A general state hiring freeze is still in effect. At the same time, some state employees who are retiring or resigning are not being replaced.

## West Virginia Department of Environmental Protection Appoints Director of Air Quality Division

West Virginia Department of Environmental Protection Cabinet Secretary Randy Huffman has appointed W. "Fred" Durham, as director of Division of Air Quality. He has been serving as acting director. His appointment took effect with the start of the new fiscal year July 1.

Durham holds a Bachelors of Science degree in physics, graduating with honors for the Georgia Institute of Technology. He also successfully completed Penn State's executive program, Management Program of Natural Resource Managers as well as West Virginia University's DEP Supervisors Development Certificate Program. He has more than 29 years of management experience, including 17 in air quality management. Durham also has served as the principal liaison for the Transportation Air Quality Planning with the West Virginia Department of Transportation, on the Federal Highways Administration, and various metropolitan transportation planning organizations throughout the state.

## WV Unemployment Rate Higher Than The National Rate For Second Straight Month

Unemployment in the Mountain State raised a tenth of a percent in July to 6.3 percent. According to WorkForce WV, total employment in the state fell by 3,900 with 800 people losing their jobs and 3,100 state residents deciding to stop looking for employment. The national unemployment rate also went up one-tenth of a percent in July to 6.2 percent. This is the second month in a row the state's rate has exceeded the national rate. June and July mark the first time West Virginia's unemployment rate has exceeded the national rate since October 2006.

#### **DEP Working on Ways to Address Issues with AST Law**

The secretary of the state Department of Environmental Protection admits that small temporary tanks will face a heavy, unintended burden if the Above Ground Storage Act remains in its current form.

Randy Huffman said there are about 40,000 oil, gas and agriculture tanks that sit outside of the established zones of critical concern — meaning they are not threats to the water supply. He said he's not sure how many may ultimately be exempt. At one point, those smaller tanks were exempt from the law, but that exemption was not part of the final version of the legislation. "These tanks are all over the place. They have secondary containment around them. They're really not a threat," Huffman said.

Independent operators have estimated their costs to fully comply with the law could put them out of business. "Their claims are not exaggerated at all," Huffman said. "We've been working with these guys and we've been listening to them and we agree with a lot of what they are talking about."

As part of that law, all tanks must be registered with the state by Oct. 1. Operators of tanks that are not registered before the deadline could face a potential fine of \$10,000 per tank for each day a tank remains unregistered. By Jan. 1, those tanks must be inspected and certified by a registered engineer. It would take action from the Legislature to move the Jan. 1 deadline, but Huffman said there are other steps the DEP may be able to take during the ongoing rule-making process.

OMEGA is working hard with DEP, our elected officials, as well as the Governor's office on the regulations for AST's. We fully believe that it was not the intent of the Legislature to put undue burden on WV businesses and tank owners. Currently we are teaming up with other Associations to gain a large grass roots group to draw attention to the problems and work on a resolution. At this point we are thinking that seeking a delay in the regulations might be the best course of action. The October 1st registration deadline and the January 1st inspection requirement are not realistic. If we could delay implementation, we would have time to let the Legislature get back in town and possibly make changes in the law as well. As with anything the "devil is in the details" and once we see the drafted rules, which need Legislative approval, we will know better what our industry faces. We want you to be rest assured that we are working diligently on our members behalf. Please feel free to contact us with your concerns and suggestions.

#### **Home Rule**

There are 23 cities and municipalities from across the state vying for just 16 home rule spots.

Six cities in the Kanawha Valley, all requesting home rule status, recently met before the Home Rule Board: Dunbar, Milton, Spencer, Nitro, South Charleston and St. Albans.

The state legislature voted to expand its pilot home rule program in 2013. Charleston, Huntington, Bridgeport and Wheeling were the test cities.

Lowering the B&O taxes and leveling the playing field with the businesses just outside our city limits, to be more competitive with them, seem to be the largest reasons that cities want this new status.

#### WVBT Working to Educate Elected Officials on Importance of Well-Maintained Transportation System

This past winter was very harsh and very tough on West Virginia's roads, bridges and highways. This only worsened the maintenance and repaving needs across out state. Moreover, even though gasoline prices have risen again to \$4 a gallon, the funding provided to maintain and expand our state's transportation system continues to fall behind what is necessary. Gasoline taxes from federal and state sources continue to be insufficient due to inflation and other cost pressures.

West Virginians for Better Transportation (<a href="www.keepwvmoving.org">www.keepwvmoving.org</a>) is a statewide coalition that is working to help educate our elected leaders about the importance of a modern, well-maintained transportation system and about how financial pressures continue to increase. As part of educating the public and legislators about key issues facing West Virginia's transportation system and its challenges, WVBT has produced four brief videos:

#### **Funding Sources for West Virginia's Transportation System**

http://youtu.be/ Pk0TLNMqSU

#### **Activities and Uses Funded By Transportation Taxes**

http://youtu.be/5WXsDw5hEBE

#### **Costs of Poor Transportation Infrastructure**

http://youtu.be/nUo1KUnJCMA

#### **Benefits of a Good Transportation System**

http://youtu.be/WgCnFMBtPlw

Funding for the videos was provided thanks to a special grant from the American Society of Civil Engineers. Please take a few moments to watch these video links and also share these with your employees, colleagues, friends, etc. Also, here are links to informational materials (<u>WVBT's infographics</u>, <u>Street View Fact Sheets</u>) that complement the videos' key messages.

## Jan Vineyard and OMEGA Receive Commendation for Volunteer Services

On June 10th, we received a Commendation for Volunteer Services to the State of West Virginia from Governor Earl Ray Tomblin. In the letter accompanying it, he said:

West Virginia is truly blessed to have an abundance of individuals and organizations that make a positive difference in communities across our state and demonstrate the true meaning of volunteerism. I'd like to take this opportunity to personally thank you for your contributions to your community and our state. The mountaineer spirit endures through the volunteer work you, along with many others from across West Virginia, accomplish throughout the Mountain State. Volunteers, like you, are more than the heart of many great projects – you are the heart of our communities. I'm truly grateful for your continued commitment to volunteerism. Thank you for all you do for the people of West Virginia. Sincerely, Earl Ray Tomblin, Governor



## Federal Issues

Congress is on its August recess which serves as a great chance to meet with your lawmakers while they are back home. On Monday, September 8th, Congress returns to both chambers and will likely be in session for a few weeks before they break again for the 2014 elections.

#### **Temporary Highway Bill Passes Congress**

Congress sent a \$10.8 billion highway funding bill to the President which will keep the Highway Trust Fund (HTF) solvent through May 2015. The final bill will stop federal officials from beginning to delay payments on August 1 to states for road and bridge construction projects.

Most significant to petroleum marketers, the bill maintains the language passed by the House and fought by PMAA that would transfer one billion dollars from the Leaking Underground Storage Tank (LUST) Trust Fund, leaving only \$400 million. Petroleum marketers have supported the LUST Fund and have paid \$3.8 billion in LUST taxes since its inception.

## FMI Seeks Signatures for Letter Supporting Senate Legislation to Repeal ACA Mandatory Auto-Enrollment

We recently received a letter from the Food Marketing Institute asking for our signature on a coalition letter of support for legislation (S. 2546) recently introduced by Senator Johnny Isakson (R-GA) to repeal the Affordable Care Act's (ACA) mandatory auto-enrollment provision. Under Section 1511 of the ACA, employers with 200 or more full-time employees automatically enroll their full-time employees in health care coverage by their 91st day of employment, unless the employee has opted out prior to the deadline. FMI is concerned because auto-enrolling employees without their express consent will result in employees retroactively churning in and out of employer plans, subsequently raising employers' administrative costs, while imposing lost premium costs on employees who are unwilling, or unable, to pay their premium's share. Employers that are subjected to this requirement are already bound by several other ACA coverage requirements, including an obligation to offer coverage to these same employees.

In February 2012, the Department of Labor announced that it was temporarily holding off on implementing the auto-enrollment provision. Rather than wait until the Administration begins writing auto-enrollment regulations, FMI, the Retail Industry Leaders Association and National Restaurant Association worked with Rep. Richard Hudson (R-NC) and others to introduce H.R. 1254 last year and now Sen. Isakson's office to introduce Senate legislation to remove the redundant and burdensome provision altogether. OMEGA signed onto this letter to Senator Johnny Isakson.

#### **Soda Tax Bill Introduced in Congress**

House bill would create a national tax on sugary drinks, to be paid by manufacturers. Legislation was recently introduced day in the U.S. House of Representatives would establish a tax on soda and other sugar-sweetened drinks, reinvigorating a national debate over the government's role in shaping the diets of Americans.

The bill, known as the Sugar-Sweetened Beverages Tax or "SWEET" Act of 2014, was authored by Rep. Rosa DeLauro (D-CT) and would amend the Internal Revenue Code to establish an excise tax on sweetened beverages. It would impose a 1% tax per every 4.2 grams of caloric sweetener added to beverages, and would apply to manufacturers, producers and importers of the products. The revenue would be used toward prevention, treatment and related public health research. Previous local efforts to regulate sweetened drinks have failed, largely due to legal rulings that that such efforts are an overreach on the part of the government.

#### **National Labor Relations Board Joint Employer Decision**

Recently the NLRB's General Counsel decided to issue multiple complaints against McDonald's USA related to employment decisions made by some of its franchisees. This means the NLRB's General Counsel has decided to prosecute complaints before administrative law judges. This is a significant and deeply troubling reversal of long established precedent, and it has major implications for franchisees, franchisors and many other similar business models. We have no doubt the cases will eventually brought before the Board itself.

#### **Tax Court Rejects Unredeemed Fuel Rewards Deduction**

A gas station operator cannot claim tax deductions for unredeemed fuel discounts under a fuel rewards program, the U.S. Tax Court ruled in a decision filed July 23.

That's from the case Giant Eagle Inc. v. Commissioner of Internal Revenue (Docket No. 11910-12), in which the IRS questioned Pennsylvania supermarket chain Giant Eagle Inc.'s deductions for unredeemed fuelperks! and claimed it owed several million dollars in back taxes for the years 2006 and 2007.

Giant Eagle took its case to the U.S. Tax Court, which sided with the IRS. The grocer uses the accrual accounting method, in which the taxpayer matches revenues to expenses at the time the transaction occurs. The court said businesses are unable to match revenues to an expense that is tied to a future purchase, such as a future fuel discount.

The "petitioner is not entitled to offset the estimated future costs of redeeming fuel perks! against revenue" to reduce its tax liability, the court said. Giant Eagle has owned and operated supermarkets under the name "Giant Eagle" and gas stations and convenience stores under the name "GetGo" and "Giant Eagle Express." The company offered the fuelperks! customer loyalty program, allowing customers to earn discounts on gasoline and diesel by purchasing certain goods and services and presenting their Giant Eagle Advantage Card.

For every \$50 spent, customers earned 10cts/gal discount on fuel purchased in one transaction up to 30 gallons at GetGo gas stations. To redeem the rewards, they would have to swipe their loyalty card when buying fuel and push a button on the dispenser to apply the discount. The fuel price at times could be reduced to zero. In those cases, any excess fuel discount credits would be saved on the customer's loyalty card. Fuelperks! expired three months after the last day of the month in which they were earned and could not be redeemed in cash.

The IRS said Giant Eagle's tax deficiencies were \$6,160,855 for 2006 and \$1,130,630 for 2007. The grocer's attorney did not respond to a request for comment by press time.

#### **DOL: Proposed Overtime Rule Should Hit by November**

The Department of Labor states that it plans to issue, by November, its proposed rule revising the categories of workers that are entitled to overtime pay when they work more than 40 hours a week. The DOL and White House have indicated that among the groups the department will be scrutinizing very closely are employees who gas stations owners classify as managers that are exempt from overtime pay protection. The White House has suggested that many of those workers should either make higher salaries or get overtime pay when they work overtime.



## Convenience Store News

#### Menu Labeling a Bad Fit For Convenience Stores

NACS Chairman Brad Call calls FDA's proposed menu-labeling regulations a 'hand-me-down' approach. Hand-me-downs might work for clothing, but they're a terrible approach for menu-labeling regulations within the convenience store environment.

Recently, NACS Chairman Brad Call of Maverik Inc. wrote an op-ed in Roll Call regarding the U.S. Food and Drug Administration (FDA) proposed menu-labeling regulations.

Call's op-ed in the publication reads, in part: "The agency's proposed rules are a reasonable, though hardly perfect, fit for the big chain restaurants. These restaurants offer simple, standardized menus at all locations and Congress's intent was to make sure those menus provide clear, understandable nutrition information. "But the menu labeling regulations don't make sense at all for convenience stores, grocery stores, delivery operations and other approaches to foodservice. The FDA rules essentially define a 'restaurant or similar retail food establishment' as any business that devotes more than half of its floor space to consumer food sales and also offers restaurant-type items.

"That makes a convenience store a 'restaurant' even if 95% of its space is devoted to grocery items, and it sells only one or two prepared items at the counter. And the same rules apply to delivery-only operations — where consumers may never even walk in the door — as to full-service counterparts," said Call.

He also points out that the regulations "are outrageously expensive for the small businesses that have to comply with them," noting that NACS estimates an average cost of approximately \$20,000 per year, per store, for the additional cost of compliance. Call also notes that, according to the Office of Management and Budget, the FDA's menu-labeling rules could take 14 million hours to cumulatively comply with: "one of the largest burdens of any regulation issued the year they came out."

#### **NACS Files Comments with FDA on E-Cigarette Rulemaking**

On August 8th NACS filed comments with the Food and Drug Administration in response to FDA's proposed "deeming regulation" that would bring e-cigarettes and other tobacco products under the Agency's jurisdiction. The FDA's proposed rule, which is not expected to be finalized until 2015 at the earliest, would apply its current regulations covering cigarettes to electronic cigarettes as well. In its comments, NACS:

- Expressed support for the proposed provision requiring retailers to ensure that anyone who seeks to purchase e-cigarettes is at least 18 years of age. In fact, NACS has encouraged its members to adopt this approach as a best practice since before the FDA's proposal was released.
- Expressed some concerns with the proposed rule, however. For example, NACS opposed a provision that would require sellers of individual cigars to place a warning statement adjacent to each cash register in a store.
- Asked for the rule's effective date to be extended from 30 days after it is finalized to 120 days. This would provide retailers sufficient time to train their employees to comply with the new regulations, NACS said in its comments.
- Argued that the final rule should be extended to cover online sales of e-cigarettes and other tobacco products, and not only brick-and-mortar sales.
- NACS further urged FDA to enforce its regulations against Tribal retailers to the same extent that it enforces them against non-Tribal sellers.

PMAA filed similar remarks on behalf of their members as well.

#### **NACS Asks Supreme Court to Hear Debt Swipe Fee Appeal**

Request is for highest court to decide case that affects consumers and retailers more than 100 million times every day

NACS, along with several merchant associations and companies, filed a writ of certiorari with the U.S. Supreme Court on August 17th asking the Court to hear their appeal of the D.C. Circuit Court of Appeals ruling that upheld the Federal Reserve's debit swipe fee rules. NACS initially challenged the Fed's swipe fee rules soon after they became effective in 2011. The U.S. District Court agreed with NACS that the Fed's rules did not follow the law, but the D.C. Circuit later disagreed, which is why NACS has now asked the Supreme Court to decide the case.

"Debit swipe fee reform was needed to address the price-fixing of debit swipe fees that the giant card companies engaged in for the nation's largest banks," said NACS President and CEO Henry Armour. "Unfortunately, the Fed overrode the language of the law and blunted the positive impact of reform. We need the Supreme Court to decide this case so that American merchants and their customers stop paying billions of dollars more than they should per year to the big banks."

Other groups litigating the case along with NACS are: the Food Marketing Institute, National Restaurant Association, National Retail Federation, Boscov's department stores and Miller Oil Company. The Fed initially proposed a debit swipe fee rule that was largely consistent with the law passed by Congress, limiting price-fixing by the card companies and largest banks to reduce debit card swipe fees that merchants and their

customers pay. After heavy lobbying by the banks, however, the Fed abruptly changed its view of the law and dramatically inflated the amount of the fees that the big banks could charge. This caused the fees that many businesses pay to go up rather than down.

NACS and the other groups filed suit to challenge the Fed's rule because it does not follow the law. U.S. District Court Judge Richard Leon agreed with NACS and struck down the Fed's rule in July 2013. Judge Leon found that the Fed's rule ran "completely afoul of the text, design and purpose" of the law.

While the D.C. Circuit disagreed with Judge Leon, NACS believes it overlooked the key language in the law, prohibiting certain costs from being included in the price of swipe fees and applied the wrong legal standard to the case. The Supreme Court will now decide whether it will agree to decide a case that affects prices that consumers pay more than 100 million times every day.





## Oil Marketers Update

#### National Conference on Weights and Measures Strikes Down Effort to Create Diesel Gallon Equivalent Standard for Natural Gas

The National Conference on Weights and Measures voted down a proposal on July 16 that would have paved the way for truck fueling outlets to sell both compressed natural gas and liquefied natural gas in diesel-gallon equivalent units at truck fueling locations. The NCWM, a nonprofit association of state and local weights and measures officials, federal agencies, manufacturers, retailers and consumers, works closely with the Department of Commerce's National Institute of Standards and Technology. In 1994, the NCWM developed a standard for CNG to be sold in gasoline gallon equivalents. That standard has benefited consumers and industry alike because it provides a common unit for comparing the cost of CNG and gasoline. Adopting a DGE standard would allow for the ready comparison of CNG and LNG with diesel fuel and provide a commonsense unit of sale for fuel retailers and users. In addition, the DGE standard would provide a benchmark for states in their taxation, accounting, and recordkeeping requirements. While the DGE proposal passed the NCWM "House" by a margin of 29-9 with 8 abstentions, it failed to pass the "Assembly" in a show-of-hands vote. The proposal will likely be reintroduced next year for reconsideration before the NCWM.

## FMCSA Reports Increase in Doctors Certified To Conduct CDL Medical Exam

The Federal Motor Carrier Safety Administration has announced that 8,000 more health professionals have been added to the National Registry of Certified Medical Examiners since the new system for U.S. DOT medical examinations launched last month with 22,000 providers. Another 22,500 medical professionals have also initiated the process for gaining their certification, according to the agency.

A recent U.S. DOT rule requires drivers to select a medical professional from the registry to conduct physical fitness exams necessary for CDL licensure. The new rule went into effect on May 21, 2014. In order to be listed on the National Registry, medical professionals must earn certification by completing training and testing in FMCSA's physical qualification standards for drivers. Most private practice doctors are not expected to undergo the required testing, training and certification. As a result, many drivers who have relied on family doctors to provide CDL medical qualification certificates will likely have to go elsewhere for a physical.

Typically, medical professionals on the national registry are private clinics specializing in DOT compliance services. The FMCSA said the rule is necessary to prevent medical professionals with no knowledge of FMCSA rules from "rubber stamping" driver medical certificates. The rule was mandated by Congress under the Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2005 (49 U.S.C. 31149). The new rule applies to all interstate and intrastate CDL drivers including those with HAZMAT endorsements. Drivers are not required to use the National Registry until their next regularly scheduled medical fitness exam as indicated by the expiration date on their current medical certificates.

A listing of medical providers in the registry is available at: https://nationalregistry.fmcsa.dot.gov/NRPublicUI/home.seam.

#### **Court Upholds North Carolina Ethanol Blending Law**

The North Carolina Petroleum and Convenience Marketers Association (NCPCM) is reporting the Federal District Court for the Eastern District of North Carolina in New Bern has upheld the North Carolina law designed to expand ethanol blending opportunities for marketers.

The North Carolina law was challenged by the American Petroleum Institute and the National Petrochemical and Refiners Association (now AFPM, the American Fuel and Petrochemical Manufacturers).



## **Grocery Highlights**

#### Urge the Senate to Extend Pro-Growth Tax Provisions

The Senate is poised to adjourn for the August recess before voting on critical tax extenders legislation. The House recently passed permanent extensions of several pro-growth tax provisions, including Section 179 expensing, bonus depreciation, S-Corp built-in gains recognition, and a provision allowing for enhanced charitable deductions for contributions of food inventory.

The Senate began work on a 2-year tax extenders package, but the legislation has stalled. NGA fully supports extending pro-growth tax provisions, which provide grocers with tax certainty so they can plan for the future and expand their operations.

Every Senator needs to hear from the employers they represent, including independent grocers across America, to ensure pro-growth tax provisions are extended.

#### **SNAP – Fiscal Year 2015 Cost-of-Living Adjustments Announced**

Recently the United States Department of Agriculture (USDA) announced the fiscal year (FY) 2015 Cost-of-Living Adjustments (COLA) to the Supplemental Nutrition Assistance Program (SNAP) maximum allotments income eligibility standards, and deductions. Under the Food and Nutrition Act of 2008, COLAS are effective as of October 1, 2014.

Maximum allotments will increase for the 48 States and D.C., Guam, and the U.S. Virgin Islands. For a family of four receiving a maximum allotment, benefits will increase from \$632 to \$649, an increase of \$17. Updates for Alaska and Hawaii will be released later in August as the Food and Nutrition Service will not receive the Thrifty Food Plan for these areas until mid-August.

The shelter cap values increased \$12 to \$490 for the 48 States and D.C. The shelter cap values for Alaska, Hawaii, Guam and the U.S. Virgin Islands also increased. The minimum standard deduction for household sizes 1 through 3 increased to \$155 a month for the 48 States and D.C. Alaska, Hawaii, Guam, and the U.S. Virgin Islands also experienced minimal increases in their standard deduction amounts.

#### **SNAP** is Still a Hot Topic on the Hill and in the Press

There seems to be an ever growing interest and criticism of SNAP both on the Hill and in the media. During the farm bill debate there was great interest in the composition of SNAP participants, what they are buying, if foods should be restricted, and finding savings in the program.

Recently the subcommittee for Department Operations, Oversight and Nutrition of the House Agriculture Committee held a hearing on SNAP and its relationship with other Federal programs. While the primary focus of the hearing was categorical eligibility and other SNAP recipient requirements, Congressman McAllister (R-LA) raised the question of whether SNAP purchases should be restricted to only "healthy" foods. Additionally, the possible incoming chairman of the House Agriculture Committee for 2015 has raised his concerns with the size and breadth of SNAP and wants to take a closer look at the program. Recently Congressman Paul Ryan released his "anti-poverty" plan that would make SNAP a state block grant.



## Do You Have a No Tolerance Policy?

In 2010, the Equal Employment Opportunity Commission (EEOC) received 99,922 charges alleging discrimination and/or harassment related to employment—an increase of 7% from 2009.

Even though many filed charges were found to have "no reasonable cause," monetary benefits paid for claims resolved through the EEOC totaled more than \$404 million in 2010. This does not include settlements obtained through litigation in other courts nor the considerable legal expenses and other hidden costs paid by employers. Nor does it reflect the harm caused by an accusation of discrimination or harassment, whether the charges are just or unfounded.

Think about how a discrimination or sexual harassment claim would be viewed in your community. It can be devastating to your reputation and your bottom line. Even if no damages are awarded, defense costs can often reach six figures.

Employment Related Practices Liability insurance can provide assistance with your defense—but how can you prevent a claim in the first place? To help assess your company's situation, consider these important questions:

#### Does your company have a written "no tolerance" policy for discrimination/harassment?

Your employees need to understand the types of behavior that will not be permitted in your workplace and the consequences for anyone who commits such acts.

#### Is your "no tolerance" policy active or buried in a file?

An active discrimination/ harassment policy is crucial. Just responding to incidents as they are reported will not be a defense. Your policy should be written—acknowledged by each employee—promoted by upper management, and communicated frequently. It should be part of your daily operations.

#### Do your supervisors and employees understand the grievance procedure?

Make sure your grievance procedure is appropriate for your company and that it is communicated effectively. Include posters or signs, up-to-date bulletins, and notification forms for new hires to sign. If possible, provide a 24-hour hotline service and hold meetings on discrimination/harassment topics annually. Employees should have options for reporting grievances. A policy requiring that an employee only report to an immediate supervisor is not much help if the supervisor is the problem. Provide at least two names or titles of persons to whom grievances may be reported. (If names are used in your policy, be sure to update this portion of your policy when staff changes occur.)

#### How well will your written documentation protect your company if a claim occurs?

Suppose an employee terminated after 17 years with a company sues, alleging wrongful termination and discrimination due to age. The company fired the employee due to deteriorating work performance over the last several years. Notice without opportunity to improve or change is typically seen as unfair to the employee. Lack of documentation can be a major problem and could increase the cost of employment practices claims.

## Are you satisfied that employees will adhere to your "no tolerance" policy? Are you confident that your managers and supervisors have received proper training and will keep good written records for you?

It is important to remember that an employer can be held responsible for a supervisor's conduct even if the employer is not notified of the incident. If one of your supervisors fires or demotes an employee who refuses the supervisor's sexual advance or discriminates against the employee, your business can be held liable without any defense. Owners or top managers may not be excused simply because they had no knowledge of the supervisor's actions or even if they have tried to prevent such harassment. Reviewing your company discrimination/harassment policy, training and procedures is a good start. You also may want to consult a qualified legal professional with your questions, as this area of law can change rapidly. The Federated Employment Practices NetworkSM (FEPN) makes services available to clients which are designed specifically to help answer human resources questions, including access to employment law professionals.

## OMEGA Kicks Off Make-A-Wish Fundraiser

On August 1st, OMEGA Members kicked off a star sales campaign to raise money for Make-A-Wish. We would like to thank the retailers who are participating in this campaign: R T Rogers Oil Company, Go-Mart, Inc., Little General Stores, Stop in Food Stores, One Stop, Par Mar Stores, Bruceton Petroleum/ BFS, Team Sledd, DeFazio Oil Company, TWJ, Inc., Petersburg Oil Company, Jamieson Family Markets and Tri-State Petroleum Corporation.

On September 25th, we will be hosting a Children's Charity Golf Outing at The Resort at Glade Springs in Daniels, WV. All money raised at this event will be distributed evenly between the Make-A-Wish Foundation and the Children's Home Society of West Virginia, who we did a flower sales campaign for in April & May where we raised \$88,827. We are thrilled to be able to work with both of these charities!

Thank you to the following companies who have already signed up as sponsors of this event:

Underwriter

**ExxonMobil Fuels Marketing** 

Platinum

Little General Store, Inc. **Marathon Petroleum** Company

**Red Bull Energy Drink** 

Gold

**BrickStreet Insurance** 

**Frito Lay** 

R. T. Rogers Oil Company **Tri-State Petroleum Corp.** 

Sammie Huff Contractors

Bronze

**Eagle Transport Corporation** 

Have you signed up to be a sponsor of the Children's Charity Golf Outing? If not, we hope you will do so. You may download registration materials on our Web site at www.omegawv.com. Also, if you do plan on attending this event, please make your room reservations at Glade Springs by calling 877.814.7316 TODAY. The cut-off date to make reservations is August 25, 2014.



05.07.15

2015 Trade Expo & Golf Outing

The Resort at Glade Springs - Daniels, WV



## Miscellaneous

#### **Scholarship Winners**

Recently, Autumn Pittman was presented an OMEGA Scholarship. Autumn's mother, Linda Munday, is employed by BFS Foods.



From left to right: Linda Munday (mother and Store Manager), Autumn Pittman - winner, Garet Bishop of BFS, Charity Platter (Supervisor - BFS)

Recently, Kalika Ferrell was presented an OMEGA Scholarship. Kalika is employed by Little General Store, Inc.



From left to right: Jason Stotlar (Supervisor) Diana Pratt (Store Manager) Kalika Ferrell - winner, Brian Waugh (Director of Retail)

## Calendar of Events



2014 Children's Charity Golf Outing September 25, 2014 The Resort at Glade Springs Daniels, WV

2015 Trade Expo & Golf Outing May 5 - 7, 2015 The Resort at Glade Springs Daniels, WV

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