SSDA
SERVICE STATION DEALERS OF AMERICA AND ALLIED TRADES

SSDA News

Service Station Dealers of America and Allied Trades

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Updated Schedule for Lobby Day - RSVP to Reserve Your Spot

By Roy Littlefield, IV

We are looking forward to having SSDA-AT members from across the nation come to Washington, DC on **February 5, 2015** to meet and speak directly with members of Congress and Committee staff about highway funding proposals and the importance of maintaining a voluntary tire registration program.

The Federal Lobby Day will include a luncheon with Democratic Whip Steny Hoyer and Congressman John Delaney in the Caucus Room of the Cannon House Office Building, meetings with members of Congress and Committee staff from the House Transportation and Infrastructure Committee and Senate Commerce, Science, and Transportation Committee, followed by a reception on Capitol Hill where House Transportation & Infrastructure Committee Chairman Bill Shuster will give the keynote address.

We are encouraging everyone to sign up ASAP for this event so we can get an accurate headcount. Please see the registration form and schedule.

****A REMINDER THAT THE HOTEL ROOM BLOCK EXPIRES ON JANUARY 5th!!****

The next transportation bill could include tax provisions that would affect the tire industry adversely for the next decade. With transportation funding being addressed in the spring of 2015, the timing could not be better to have our voices heard in front of the decision makers in Washington. Please make every effort to attend!

OSHA'S EXPANDED REPORTING AND RECORDKEEPING REQUIREMENTS

In 2015 employers must comply with two changes to OSHA reporting and recordkeeping requirements.

New Reporting Rules

According to the first change, employers must contact their state OSHA agency:

- Within eight hours if a work-related accident results in a fatality, and
- Within 24 hours if a work-related accident results in the hospitalization of one or more employees, an amputation, or the loss of an eye.

This requirement will go into effect as of January 1, 2015 in most states, including North Carolina and Georgia. For employers in South Carolina, the new reporting rule will take effect once it is adopted by the General Assembly and implemented by the South Caro-

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BEST OF

GENERAL COUNSEL CORNER

Loss Leader Leads to Loss (2006)

By Peter H. Gunst , Esquire
pgunst@lawyers.com

(This month we give Peter a break, and look back at one of Peter's articles from the November 2006 SSDA-AT News . Some things are timeless!)

A recent federal court decision in Colorado demonstrates that below cost pricing statutes have real teeth, but that considerable care must be taken to interpret them properly.

King Soopers had long operated a "Buy Groceries/Get Gas" discount program, under which it offered the customer an additional 7-cents-a-gallon discount at its pumping stations based on the volume of the customer's grocery purchases, generally within the past 30 day period.

Competing resellers cried foul. Filing suit in an action styled *Parish Oil Co. v. Dillon Companies*, they contended that King Soopers' program violated the Colorado Unfair Practices Act because it resulted in the below cost sale of gasoline.

The resellers relied on the core language of the statute, which provides:

> It is unlawful for any person, partnership, firm, corporation, joint stock company, or other association engaged in business within this state to engage in a pattern of selling, offering for sale or advertising for sale motor fuel for less than the cost thereof to such vendor, when such pattern has the effect of injuring one or more competitors or destroying competition.

King Soopers argued that its activities fell under a separate "safe harbor" provision contained within the statute, and moved for summary judgment. That provision suggested that the statute was not violated if the total sum paid by the customer for both gasoline and groceries was not less than the aggregate cost to King Soopers of all the separate products that it resold to the customer.

Denying King Soopers' motion for summary judgment in a decision released this past September, District Court Judge Robert Blackburn acknowledged the difficulty of reading the two statutory provisions together in a consistent manner, without undermining the law's overall purpose of prohibiting loss leader sales.

Holding that that overall purpose of the law trumped any conflict between its separate provisions, the court refused to interpret the provision relied upon by King Soopers to, in effect, nullify the statute. He concluded:

> Defendant's interpretation of the statute permits sellers to evade the [law's] ultimate goal of promoting competition by prohibiting below cost and loss

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Keystone Pipeline Will be Job No. 1 For GOP-Run Senate

A bill to authorize the long-stalled Keystone XL oil pipeline will be the first business taken up next year by the Republican-run Senate, incoming Senate Majority Leader Mitch McConnell announced.

"We'll be starting next year with a jobs-creation bill that enjoys significant bipartisan support," Mr. McConnell, Kentucky Republican, said of the cross-country pipeline to carry oil from Canada to refineries on Texas' Gulf Coast.

Supporters of the pipeline say that building it will create thousands of construction jobs and energy industry jobs.
The Obama administration has delayed approval of the project to appease environmentalists, who object to potential threat oil spills and more greenhouse gasses.

Last month, Senate Democrats filibustered a bill that would have approved the pipeline. Despite the bill being pushed by Sen. Mary Landrieu, a Louisiana Democrat who hoped to get the legislation passed to help her facing a tough reelection contest against Republican Bill Cassidy. Ms. Landrieu ultimately lost the race.

In announcing the bill, Mr. McConnell took a parting shot at outgoing Senate Majority Leader Harry Reid, Nevada Democrat, whom Mr. McConnell has criticized for exerting tight control over the legislative process and blocking senators from offering amendments on bills.

"Senators on both sides will offer energy-related amendments. There will be no effort to try to micromanage the amendment process," he said. "And we'll move forward and hopefully be able to pass a very important job-creation bill early next year."

Analysis: Only 6 Percent of 2013 Federal-Aid Funding Went Into New Roads, Bridges

A detailed breakdown of 2013 federal highway funding obligations by the Government Accountability Office shows states used just under 6 percent of the contract authority they received on construction projects that would build new roads or bridges, while the largest portion of the aid went into the existing system.
The Transportation Weekly newsletter reports – based on a recent GAO report and on answers it received when requesting more detail – that out of $41 billion in federal-aid highway contract authority states had in fiscal 2013, they used 5.9 percent to build new highways or bridges.

"Another 15 percent went to adding new capacity (usually, but not always, new lanes) to existing highways and bridges," said the report.

By far the biggest area in which states obligated their federal highway funding was upkeep. TW said "40 percent of the budget went to some kind of maintenance, rehab or refit of existing roads and bridges." The publication is produced by editor Jeff Davis.

The TW analysis also said states directed 18.5 percent of their contract authority to support operations including engineering, right-of-way acquisition, planning and utilities. That work is "an integral part of all projects" the story said, but is not detailed as to type of projects or by new or existing capacity.

The breakdown said 6.3 percent of contract authority went to safety projects, while smaller amounts went to areas including federal lands, research, enhancements and environmental work. And 2.5 percent went to state or local debt service.

INDOT Chief Urges New Look at Road Funding

Concerns about rising debt payments are prompting Indiana's top transportation official to seek new ways to finance road projects.

Department of Transportation Commissioner Karl Browning said he doesn't think the state should commit to any more "availability payments," a type of public-private partnership used to finance section five of the Interstate 69 project and Indiana's share of the Ohio River bridges project.

"It's a lot like borrowing," Browning told the Indiana Chamber of Commerce recently. "I would be more than cautious about the notion of doing public-private partnerships of the nature of some of them that we've done."

Availability payments are annual payments that come from available budgeted revenue sources. A developer can use a government's long-term commitment of annual payments to finance a project.
The funding mechanism is gaining popularity as governments look to finance projects that can't be tied to a dedicated funding stream, such as tolls. Indianapolis, for example, plans to use availability payments to finance a criminal justice complex that could cost as much as $600 million.

While Indiana isn't carrying the debt from the Ohio River Bridges project or I-69 on its books, the deals still mean INDOT has to set aside money for 35 years.

Browning said about 10 percent of the Department of Transportation's revenue currently goes to debt service. That will rise to 17 percent in 2018, according to INDOT projections.

"In my view, that's a manageable number," Browning told the chamber. "If we let it get higher, we're going to be mortgaging our grandchildren."

Browning said he would support a public-private deal for new construction if it can be sustained by a known revenue source, such as tolls.

Tolls weren't an option for section five of I-69, so state lawmakers in 2013 agreed to let the Indiana Finance Authority pursue an availability-payment scheme.

Once the road is operational, Indiana will pay $21.8 million a year for 35 years.

Another project using availability-payment funding is the East End Crossing, a toll bridge under construction over the Ohio River at Utica. Availability payments are $33 million a year from 2016 through 2050.

Toll revenue will offset the payments, but Indiana doesn't expect it to cover the bridge's $763 million cost.

Browning hopes to rally taxpayer support for a lasting solution to the transportation funding gap caused by declining gas-tax revenue, aging infrastructure and escalating construction costs. He noted that roads and bridges built 50 years ago are approaching the end of their useful lives.

Nearly 13 percent of bridges and almost 12 percent of highways will be in poor condition by 2024, he said.

"If we're going to be the crossroads of America," he said, "our existing highways have to be in pretty dang good shape. We have to persuade 6 million people that it's worth it to them, and not rely on the federal government."

Indiana Chamber transportation lobbyist Cam Carter said no P3 deal will make up for the fact that the federal gas tax hasn't risen since 1993, cars are becoming more fuel-efficient and Americans are driving less.
"What you have to understand with public-private partnerships in the transportation realm — they're a financing mechanism," Carter said. "They're not a funding mechanism."

Fight Against Sales Tax on Gasoline Grows More Urgent in NJ (On behalf of NJGCA)

NJGCA's fight to prevent the sales tax from being applied to gasoline continues to grow more and more urgent. I cannot even begin to explain the amount of time, effort, energy and resources that we have dedicated to preventing this from happening, yet, we continue to be told that this option is the most politically desirable, even if it is not the best public policy. You are going to be angry if this happens, and you are going to feel a lot of pain, so I need you to help me.

You should have received an email urging you to contact your representatives and the Governor about this issue. I know that everyone is looking forward to the holidays next week and there will be all sorts of strains on your schedules, but you have GOT to respond. We are going to keep sending reminders to those of you who don't respond, because we are able to track who has been sending letters. I fear that Trenton will take advantage of everyone paying attention to the holiday and sneak in an agreement to add the sales tax to gasoline, thereby accomplishing the task by year's end. (Remember Washington's surprise attack on Trenton in 1776 while the Hessian soldiers were partying on Christmas Eve?) I certainly don't want any Christmas surprises from Trenton this year!

We have made the process as simple as possible using our VoterVoice tool to connect you with the necessary legislators. Please send emails, letters and make phone calls, and please keep doing this until we tell you to stop! It won't bother me one bit if you send an email EACH DAY to your representatives and the Governor. This is so easy! It takes two clicks. You can do it from your phone. PLEASE RESPOND.

- Sal Risalvato, Executive Director

Minnesota's Transportation Troubles on the Table for 2015

A new two-year budget will be at the top of the agenda when Minnesota lawmakers reconvene in a few months, but another key target for the session will be transportation. Legislation to be introduced in 2015 will focus on improving the state's crumbling roads and aging bridges.

Erik Petzel, spokesperson with Minnesotans for Healthy Kids Coalition, says it's also critical that any package incorporate the needs of pedestrians and bicyclists. "We see the built environment as having a tremendous impact on how much physical activity people get," says Petzel. "So we're interested in supporting pedestrian and bicycle infrastructure that makes those transportation modes a real option for individuals."

A new poll from the coalition shows that sentiment is widely shared, with 65 percent of Minnesotans favoring a road and transportation package that includes additional funding for pedestrian and bicycle infrastructure. The survey also found the main reason for the strong support is because an increasing number of people are getting around on foot and by bike in both urban and rural settings.

Jodi Gertken, BLEND Project Coordinator with the CentraCare Health Foundation explains. "What this poll actually shows us is what many of us in Greater Minnesota have long believed," Gertken says. "It's really emphasizing that Minnesotans, no matter where we live, whether a community of 2,000 or 200,000, understand the benefits of walking or bicycling." The greatest needs for related improvements in communities include street crossings and intersections, lighting and additional sidewalks, trails and bike lanes.

New York to Ban Fracking; Environmentalists Cheer

Handing environmentalists a breakthrough victory, New York plans to prohibit fracking for natural gas because of what regulators say are its unexplored health risks and dubious economic benefits.

New York, which overlies part of the gas-rich Marcellus Shale formation that has led to a drilling boom in Pennsylvania and other nearby states, has banned shale gas development since 2008, when the state began an environmental review of the drilling technique also known as hydraulic fracturing.

The announcement, though not final, means a ban is all but etched in stone.
"Never before has a state with proven gas reserves banned fracking," said Deborah Goldberg, an attorney with Earthjustice, adding that the decision "will give courage to elected leaders throughout the country and world: Fracking is too dangerous and must not continue."

Industry and its supporters expressed outrage at the decision.

"We are very disappointed that it appears the governor is unwilling to be a leader and is going to pass the buck at the expense of New Yorkers," said Jack Gerard, president of the American Petroleum Institute.

"This technology has been used for over 65 years in the United States. It's been demonstrated repeatedly after drilling millions of wells that we're able to do it while protecting the environment and protecting the people."

Environmental Commissioner Joe Martens said Wednesday that he is recommending a ban, and Gov. Andrew Cuomo, a Democrat, responded that he would defer to Martens and Acting Health Commissioner Howard Zucker on the decision.

The Department of Environmental Conservation will put out a final environmental impact statement early next year, Martens said, and after that he will issue an order prohibiting fracking.

About 30 anti-fracking activists cheered the decision at a rally outside Cuomo's New York City office, chanting "Thank you, Governor Cuomo, for saving our air!" and "New York banned fracking — and next, United States!"

Zucker and Martens on Wednesday summarized environmental and health reviews that concluded fracking carries risks that haven't been studied enough.

The drilling boom in the Marcellus Shale, which also runs under Ohio and West Virginia, was made possible by high-volume hydraulic fracturing, which releases gas from rock by injecting wells with chemically treated water at high pressure.

The technique has generated tens of billions of dollars in industry profits and landowner royalties, and has reduced energy bills and fuel imports. But it has also brought concerns and sparked protests over air and water pollution, earthquakes, property devaluation and truck traffic.

Zucker said he had identified "significant public health risks" and "red flag" health issues that require long-term studies before fracking can be called safe. He likened fracking to secondhand

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New York to Ban Fracking; Environmentalists Cheer

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smoke, which wasn't fully understood as a health risk until many years of scientific study were done.

Martens noted the low price of natural gas, the high local cost of industry oversight, and the large areas that would be off limits to shale gas development because of setback requirements, water supply protections and local prohibitions. Those factors, he said, combine to make fracking less economically beneficial than anticipated.

Even if drilling were allowed in New York, it probably wouldn't take off any time soon because of the uncertainty around regulations and legal challenges and the huge number of promising drilling locations that remain in Pennsylvania, David Spigelmyer, president of the industry group Marcellus Shale Coalition, said recently.

The Marcellus Shale is enticing to energy companies because of its proximity to the major demand centers of New York City and New England, which is paying more for gas because of delivery constraints. But the regulatory uncertainty remains too high to commit to drilling in New York, Spigelmyer said.

In states where fracking is not yet allowed or is happening but is subject to criticism, New York's move excited some anti-drilling activists.
"The more fracking expands, the more opposition grows," said Sharon Wilson, of the group Earthworks, who has organized anti-fracking activists in Texas, California and Colorado. "Industry is its own worst enemy because they continue to deny the impacts."

Fracking supporters decried the New York move. Karen Moreau, executive director of New York's branch of the American Petroleum Institute, said the Cuomo administration is denying landowners the right to develop their mineral resources.

"The secretary of energy, the U.S. EPA administrator and President Obama recognize the benefits of fracking, and yet the Cuomo administration simply did not want to anger their activist base," Moreau said.

Dan Fitzsimmons, president of the Joint Landowners Coalition, which represents leaseholders, accused Cuomo of appeasing "environmental extremists" for political gain.

"Is our health department ignoring impacts of other energy options and suggesting that we continue with our reliance on coal and nuclear energy?" Fitzsimmons said. "Did our health department consider the health effects of poverty and unemployment?"

Cuomo said he is expecting lawsuits will be filed "every which way from Sunday."

In California, energy companies have been using a type of fracking to extract oil for many years and are pushing to expand such drilling. Environmental groups hope the New York decision will influence Gov. Jerry Brown, who has largely supported fracking. A scientific study is due to be released next month.

Californians will ask now, "If it's not safe for New Yorkers, why should we think it's safe for us?" said Charles Margulis, with the California branch of the national Center for Environmental Health, a nonprofit organization.

SSDA-AT FEDERAL LOBBY DAY SCHEDULE OF EVENTS

Capitol Hill • Washington, D.C.
February 5, 2015

SSDA FEDERAL LOBBY DAY

11:00 a.m. – 12:00 p.m. **Caucus Room, Cannon House Office Building**

Welcome
Roy Littlefield IV, TIA Government Affairs Manager
Freda Pratt-Boyer, TIA President

The Importance of Members Coming to Capitol Hill
Former Congressman Al Wynn

Congress 2015
National Republican Senatorial Committee

Tax Reform Issues
Paula Calimafde, Executive Director,
Small Business Legislative Counsel

Voluntary/Mandatory Tire Registration
Kevin Rohlwing, TIA Senior Vice President of Training
Roy Littlefield, TIA Executive Vice President

Review of Status and Funding Options of a Long-Term Transportation Bill
Roy Littlefield, TIA Executive Vice President
Roy Littlefield IV, TIA Government Affairs Manager

12:00 p.m. – 2:00 p.m. **Caucus Room, Cannon House Office Building**
Congressional Luncheon
with Keynote Addresses by:
Congressman Steny Hoyer (Democratic Whip)
Congressman John Delany (D-MD/Sponsor of H.R. 2084)

2:00 p.m. – 5:00 p.m. **Gold Room, Rayburn House Office Building**
Connection Sessions
10 minute face-to-face, round robin connection session meetings with key Hill staffers from the House Transportation and Infrastructure Committee and the House Ways and Means Committee to voice support for a sustainable Federal Highway program, and to voice concern with some of the proposed funding ideas.

2:00 p.m. – 3:30 p.m. **Transportation and Infrastructure Committee Room**
Legislative Insight
Meet freshmen members from the House Transportation and Infrastructure Committee to discuss their top transportation initiatives.

5:00 p.m. – 7:00 p.m. **Capitol Foyer, Rayburn House Office Building**
Welcome Reception for 114th Congress
with Keynote Address by:
Congressman Bill Shuster(R-PA), Chairman,
House of Transportation and Infrastructure Committee

SSDA-AT FEDERAL LOBBY DAY REGISTRATION FORM

Capitol Hill • Washington, D.C.
February 5, 2015

WAYS TO REGISTER

MAIL
SSDA-AT
1532 Pointer Ridge Place, Suite G
Bowie, Maryland 20716-1883 USA

PHONE
301-430-7280, ext. 137
800-876-8372, ext. 137

FAX
301-430-7283

EMAIL
rlittlefield2@wmda.net

Please Note: *Registration is for Lobby Day only. You must contact the hotel directly for room reservations. Rooms are booking quickly, make your reservation today.*

ATTENDEE INFORMATION

First Registrant _____

Title _____

Phone _____

Email _____

Optional: Individual meetings with your Senator and/or Congressman ❑ Yes ❑ No
(Limited, based on availability.) If Yes, Name:_____

❑ Driving ❑ Yes, I will need **free** transportation to Capitol Hill, departing from:
❑ Embassy Suites or ❑ SSDA-AT Headquarters.

Additional Registrant _____

Title _____

Phone _____

Email _____

Optional: Individual meetings with your Senator and/or Congressman ❑ Yes ❑ No
(Limited, based on availability.) If Yes, Name:_____

❑ Driving ❑ Yes, I will need **free** transportation to Capitol Hill, departing from:
❑ Embassy Suites or ❑ SSDA-AT Headquarters.

Company _____

Address _____

City _____ State _____ Zip _____

Country (Other than US) _____ Postal Code _____

Send Lobby Day Confirmation (if different from above) to:

Name _____ Email _____

HOTEL INFORMATION:

Embassy Suites BWI Airport Hotel
1300 Concourse Drive
Linthicum, MD 21090

Phone Reservations: 1-800-HILTONS
(Mention Tire Industry Association to receive group rate)

Room Rate: King Suite – $139.00
(Room block expires January 5, 2015)

- A Two Room Suite (includes a separate living room with a pull-out sofa bed and bedroom)
- Complimentary cooked-to-order full hot American breakfast buffet served each morning from 6:00 a.m. – 9:00 a.m.
- Complimentary cocktails served each evening from 5:30 p.m. – 7:30 p.m.
- Complimentary Wi-Fi
- Complimentary shuttle to and from the BWI Airport, Amtrak and Light Rail stations
- Complimentary parking
- Convenient location to Baltimore's Inner Harbor, Historic Annapolis, and Washington, D.C.

AIRLINE INFORMATION:

The following airlines fly into Baltimore/ Washington International Airport (BWI):

- Air Canada
- AirTran Airways
- American Airlines
- British Airways
- Condor
- Delta Air Lines
- Frontier Airlines
- Jet Blue
- Southwest Airlines
- Spirit Airlines
- United Airlines
- US Airways
- US Airways Express

LETTER TO THE EDITOR

Dear SSDA-AT,

Strict new ozone standards announced by the Environmental Protection Agency (EPA) could be the most expensive regulation ever imposed on the American public. The current standard of 75 parts per billion (ppb) -- the most stringent ever enacted when it was issued in 2008 – hasn't been fully implemented yet. Even so, air quality has improved dramatically over the past decades and will continue to improve as EPA and states implement existing standards.

EPA's move to set standards between 65 and 70 parts per billion, and to take comments on standards as low as 60 ppb, is not supported by science. A current review of health studies shows no compelling evidence that more stringent standards are needed when the current standards already protect public health.

The cost to the economy, jobs and consumers could be significant. A recent study from NERA Economic Consulting commissioned by the National Association of Manufacturers (NAM) shows that further tightening ozone standards to the lowest level EPA is considering could result in:

- A loss of $3.4 trillion in U.S. GDP from 2017 to 2040
- 2.9 million fewer job equivalents per year on average through 2040
- Increased natural gas and electricity costs for businesses and families across the country

Standards that would impose unachievable emission reduction requirements on virtually every part of the nation are clearly a misguided overreach. Even pristine areas with no industrial activity such as national parks could be out of attainment. Operating under such stringent requirements could stifle new investments necessary to create jobs and grow our economy. The right policy choice is to implement the current standards and allow air quality to continue to improve.

Sincerely,
Jack Gerard
President and CEO
API

U.S. Lawmakers Give Preview Of Coming Oil Export Fight

U.S. lawmakers gave a preview of a looming fight next year on lifting the ban on crude exports with supporters saying it would sustain the drilling boom and others questioning its impacts on industry and fuel prices.

In a House of Representatives hearing on the ban, Texas Republican Joe Barton said exporting oil would boost the economy, lower gas prices, and help give allies alternative oil supplies to Russia.

By some measures the United States is the world's top oil producer and Barton said the country should use that power.

"When you're number one, you use that status," said Barton, who introduced a short, 1.5 page bill recently to lift the ban Congress passed in 1975 after the Arab oil embargo.

The U.S. drilling boom of the last five or six years has led to a glut of light crude many oil refiners, who paid dearly to retool plants to run heavy crude, are unable to easily process.

Barton's fellow Republican, Lisa Murkowski, an Alaskan and the incoming Senate energy chairman, and Senator Heidi Heitkamp, a North Dakota Democrat, are big supporters of removing the ban. They face an uphill battle in both Houses of Congress in getting widespread support.

Many lawmakers from states with economies that are heavily dependent on energy are concerned they could see higher costs from U.S. oil exports. Barton's fellow Republicans Representatives John Shimkus, and David McKinley of West Virginia, and Joseph Pitts of Pennsylvania, questioned the panel of oil market experts at the hearing on how industry would be affected by lifting the ban.

Pitts asked Adam Sieminski, head of the U.S. Energy Information Administration, if there was a guarantee lifting the ban would remove volatility in gasoline prices. Sieminski said there was a chance U.S. oil exports could cause global crude prices to rise temporarily if they caused unrest in an oil producing nation.

He stressed that U.S. gasoline prices are mostly based on global Brent crude prices, which many analysts say should fall in the long term if the U.S. ban is lifted.

Shimkus said he has "tons of questions" about removing the ban.

As pressure builds to lift the trade restriction, the U.S. Department of Commerce has told at least three companies that they can export a minimally-processed light crude called condensate.

Oil producers want the Obama administration to allow all condensate to be exported as a first step in removing the ban. There are no signs this will happen soon.

U.S. Trade Representative Michael Froman has said the administration is looking at the oil export issue but there have been no policy changes. Froman told CNBC that the domestic oil boom has helped draw more investment to the United States and made it "a place where companies want to put their factories both to serve the U.S. market but also to export (products) all over the world."

Murkowski has said she will introduce legislation, perhaps next year, to lift the ban if the administration does not take action.

Texas Highway Money Doesn't Always Go To Highways

Every time you go to the pump you pay for the upkeep and construction of Texas roads. But lawmakers spend millions of your highway money on other things and it's been happening for years.

Like a lot of us, Jason Beville dreads his drive to work. Music helps him forget about the nine mile, 45 minute trip.

"Here, there's just too many people in too small a space. It seems like there's not enough ways to get around. If I want to go downtown, I got to take MoPac or I got to get on Lamar. Either way, it's a death wish," said Beville.

Fifteen cents per gallon of gas goes to the State Highway Fund, money intended for road construction projects. However, each year, lawmakers use millions of dollars to pay for other departments. The Department of Public Safety gets the most. But money also goes to employee benefits, the Department of Insurance, the Attorney General's Office, the Department of Motor Vehicles and others. All while the Department of Transportation (TxDOT) says it is billions of dollars in the hole each year.

"Well, a lot of people don't realize it," said Sen. Charles Schwertner (R – Georgetown). He says the habit has gotten so bad, he's proposing a bill and constitutional amendment, forcing lawmakers to keep the money where it's supposed to go, adding $620 million for Texas roads each year.

"It's been the purview and actually the practice of the legislature in the past to utilize some of those dedicated accounts to balance their books," said Sen. Schwertner.

This idea isn't new. Speaker of the House Joe Straus has talked about it for years. Governor Rick Perry agreed in his 2013 State of State address.

"We need to end the diversion of State Highway Fund appropriations," said

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Texas Highway Money Doesn't Always Go To Highways

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Gov. Perry, to applause.

Governor-elect Greg Abbott campaigned on it. "We pay for it by ensuring the money dedicated for roads is spent only on roads," Gov.-elect Abbott said in a campaign ad.

"For session after session after session those in control of the building haven't done what they've been elected to do," said Sen. Kirk Watson (D – Austin) talks about it every year. But why does it always fall through.

"There should be no surprise that politicians act like politicians and they promise the things that sound good and they know people want to hear like 'I will stop the diversions.' And then when we get into the Legislative session and the hard decisions have to be made, they don't end up doing it," said Sen. Watson.

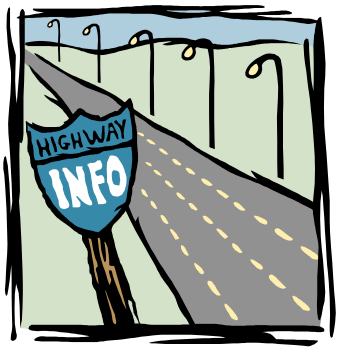
Sen. Schwertner hopes this year will be different.

"Not only are we improving the amount of money going towards transportation but in my opinion, we are improving the transparency of government," said Sen. Schwertner.

Remember that next time you go to the pump, Jason Beville will. "If I need a full tank it will cost like $75," he said, "and I appreciate that they are trying to fix it but they need to build some more roads and get some new projects going immediately. Especially if it's coming out of here.(pointing to gas pump)"

TxDOT says it need $5 billion more a year just to maintain the roads we have. Texans voted on Prop. 1 in November, giving $1.7 billion from 'the rainy day' fund to Texas roads. Sen. Schwertner's says his bill would add $620 million. Getting us around half way to TxDOT's needs.

This January, lawmakers will have to choose whether to keep diverting money or finally pay for our roads.



Norton Blasts Lawmakers Trying To Regulate D.C. Traffic Cameras

Del. Eleanor Holmes Norton (D-D.C.) slammed retiring lawmakers from Texas and Michigan for introducing legislation to ban the District of Columbia from using traffic cameras.

Rep. Steve Stockman (R-Texas), who lost the GOP Senate primary this year and will not be returning to the House in 2015, introduced a bill, H.R. 5755, to withhold federal highway funds from local governments using automated traffic enforcement systems and specifically outlaw D.C. traffic cameras.

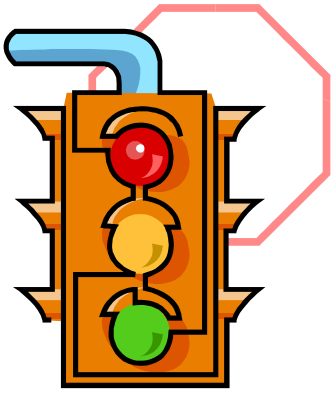
Meanwhile, Rep. Kerry Bentivolio (R-Mich.), who lost his primary this year, is the measure's only co-sponsor.

Norton accused Stockman and Bentivolio of meddling in D.C. affairs and ignoring the needs of their own districts.

"These two members, on their way out of Congress, have turned their focus away from their own constituents," Norton said in a statement. "So, free from accountability to their own residents, they are making a last ditch attempt to secure a legacy on the backs of District of Columbia residents."

Norton further argued that the two lawmakers trying to write local D.C. laws ran contrary to Republican ideals of limiting the federal government's role in public affairs.

"These two members, who profess to support federalism and local control of local affairs, have left their principles behind," Norton said. "Whatever one's views on the merits of traffic cameras, D.C.'s use of them is a quintessential local matter for the local elected government to decide, and not for the big foot of the federal government."



Connecticut Seeks Ways to Reduce Traffic on I-95

The Connecticut Department of Transportation is conducting a study to brainstorm ways of easing congestion along the busiest stretch of Interstate 95 from New Haven to New York.

Suggestions include adding E-Z Pass toll lanes to I-95 or creating a paid express lane that would require drivers to pay a fee.

Some drivers support any plan to cut back traffic.

“I think that's a good idea just to reduce on the traffic that's not getting off exits and they're just trying to make the straight distance,” said Olivia Palmer, who lives in Bridgeport.

Others wonder how it would work. Right now, the Department of Transportation is considering the suggestions and working to determine the cost. The projected changes would need to be approved through the state legislature.

“There's always the money factor for everybody, but also two, where are they going to put the room for the other express lane,” said Kurt Lauritzen, who lives in Madison.

The study is set to be completed within the next couple months.

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lina Department of Labor, Licensing, and Regulation—which may not be until the summer of 2015.

Currently, employers have to report only accidents that result in a fatality or in the inpatient hospitalization of three or more employees; amputations do not have to be reported.

Under the new rule, a fatality must be reported within eight hours if it occurs immediately or if it occurs within 30 days of when the work-related accident took place. An inpatient hospitalization, amputation, or loss of an eye must be reported within 24 hours if it takes place within 24 hours of the incident. The reporting clock does not begin until the employer learns about the reportable event.

OSHA defines an inpatient hospitalization as "a formal admission to the inpatient service of a hospital or clinic for care or treatment." Hospital visits for observation or diagnostic testing are not reportable events.

An amputation is defined as the traumatic loss of a limb or other external body part. Amputations include fingertip amputations with or without bone loss.

New Recordkeeping Rules

Also, effective on January 1 for employers in most states, OSHA has narrowed the list of industries that are partially exempt from its requirement to keep records of occupational injuries and illnesses. As a result, many employers that are currently exempt will soon have to maintain these. The records include the OSHA 300 log, 301 form, and 300A annual summary.

Some of the industries that will be covered by the recordkeeping rule starting with the new year include:

- "Automobile dealers"
- "Automotive parts, accessories and tire stores"
- "Commercial and industrial machinery and equipment rental and leasing"
- "Direct selling establishments"
- "Performing arts companies"
- "Museums, historical sites, and similar institutions"
- "Amusement and recreation industries"
- "Other personal services"

The rule exempting any employer with 10 or fewer employees from the recordkeeping requirement will remain in place. The expansion of these reporting and recordkeeping requirements is expected to lead to more OSHA inspections and citations. So as a new year brings new rules, employers should resolve to become familiar with them and prepare to comply with them.

WHITE HOUSE ROLLS OUT NEW TIRE SAFETY, EFFICIENCY PROGRAM ADVOCATING FOR LOW ROLLING RESISTANCE TIRES

On December 9, the White House rolled out a new program aimed at getting U.S. consumers to by tires that will enable cars to get better mileage and take better care of them to cut down on tire-related crashes. The program, will encourage consumers buying replacement tires to choose low rolling resistance tires, which cost

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more initially than those with more friction but increase fuel economy and save money on gasoline.

The National Highway Traffic Safety Administration estimates that if 10 percent of replacement tires sold in the United States each year were upgraded to tires with lower rolling resistance, consumers would save more than $200 million in fuel costs and cut carbon pollution by 690,000 tonnes per year. The program requires a formal rule-making, which the Obama administration wants to finish by 2017.

The administration also plans to highlight tire safety during the next month, working with tire manufacturers, retailers and oil and gas companies to explain how tire inflation, balance, alignment and rotation can prevent crashes.

ESTATE TAX EFFORTS CONTINUE

SSDA-AT continues to be involved in the Estate Tax battle and in 2015 we have a chance to make some real progress. It has been almost 10 years since the last Estate Tax vote and this is simply unacceptable. In 2015 there will be a vote and we hope it will make a statement. With the Republicans holding both the House and Senate it is a real possibility that over the next few months an Estate Tax bill could be sent to the President's desk (although him signing it would be a long shot). Moreover, this vote would be symbolic and it would bring the issue back to light with the American public. Republicans in the House are now trying to find a Democratic co-sponsor for the bill. Last time there was an Estate Tax vote, several Democrats voted for the measure. Of those who voted for repeal, there are still 33 of those Democrats in office. Yet, getting them behind the bill today in a political environment that has grown more partisan will continue to be a challenge. It is the goal to have an Estate Tax vote around Tax Day.

CRUDE PRICE DROP REVIVES HOPES FOR GAS TAX INCREASE
(Bond Buyer)

The steady drop in gasoline prices may make an increase in the federal gasoline tax more politically palatable as the next Congress looks for a way to bolster transportation funding, industry experts and politicians said on Thursday at a forum on infrastructure finance.

The 40% drop in the price of crude oil over the past few months and a resulting $1.00-plus decrease in the price of a gallon of gasoline provide an opportunity to look very closely at increasing the federal gasoline tax, which is currently 18.4 cents per gallon, said panelist Doug Peterson, CEO of McGraw-Hill Financial.

"There is a huge oversupply of crude oil in the market driving down the price and I think that is going to continue," Peterson said at the forum, which was sponsored by the Bipartisan Policy Center. "We could take 3 or 6 or 12 cents out of that $1.00 decrease and still give the taxpayers 95 to 88 cents of savings."

Sen. Patrick Leahy, D-Vt., who was in the audience, said he and other lawmakers intend to find some way to correlate the drop in crude oil prices to a higher gasoline tax.

"We're going to try something exciting," Leahy said. "I hope we can make it happen."

The price of oil should stabilize at about $60 a

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barrel, down from more than $100 a barrel earlier this year, Leahy said.

"American oil producers can survive with $60 oil," he said. "It's the market speculators who will lose money at $60 per barrel, not the oil companies."

The gasoline tax is the best way currently available to fund federal transportation spending, said Leahy.

Significant revisions are needed to the current system of federal transportation funding because the gasoline tax can no longer generate enough revenue, said Doug Holtz-Eakin, president of the American Action Forum.

"The funding mechanism is broken," he said, recommending transportation funding come from general revenues and be subject to the congressional appropriations process.

Janet Kavinoky, executive director for transportation and infrastructure at the U.S. Chamber of Commerce, said the gasoline tax remains the simplest and most effective source for federal transportation funding.

Using revenues generated through corporate tax reform for transportation would violate the principle of "user pays" that the gasoline tax provides, she said.

"Just because everyone says there is no political will to raise the gasoline tax, that doesn't mean the Highway Trust Fund is broken," Kavinoky said. "I'm not ready to give up on it as dead."

A vehicle-mile-traveled fee system may be an answer to the transportation funding puzzle but a nationwide program is at least 10 years away, Kavinoky said.

"There's a $100 billion hole in the Highway Trust Fund over the next six years and no technically viable solution," she said.

Former Los Angeles Mayor Antonio Villaraigosa was skeptical that the Republican-controlled Congress would raise the gasoline tax in 2015.
"I see no prospect for that in the short-term or even the mid-term," he said. "There is no political will in either party for that."

There should be more flexibility in the use of federal dollars for local transportation projects, Villaraigosa said.

"The federal government isn't doing what it should be doing," he said. "It should be providing incentives for states and local governments to get projects done, whether it is public-private partnerships or innovative financing that allows us to put the money to work right now.

For the Lobby Day Schedule and Registration Form, go to pages 8 and 9 in this newsletter

GENERAL COUNSEL CORNER

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> leader sales. The legislature could not have intended to create an exception that would swallow the rule in the manner defendant's preferred interpretation would permit. Therefore, I must conclude that the only rational interpretation must be one in which the cost of each item and the cost of the concomitant concession is considered separately to determine whether that individual price is below cost.

The court's decision cleared the way for a trial on the merits before a jury, which was held in November. The jury ruled that King Soopers indeed had engaged in prohibited below cost sales to the injury of the complaining resellers, awarding one $281,250 and the other $200,000 in damages. Under the Colorado statute, those damages are automatically tripled.

Twenty or more states presently have statutes prohibiting below cost sales of gasoline. Those statutes vary significantly from state to state and many, like the Colorado statute, require close scrutiny to assess properly where the proper balance should be struck between pro-competitive activities and predatory pricing conduct. As the Colorado case illustrates, however, these laws can provide an effective deterrent against unfair below cost pricing schemes.

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