Surface Transportation and Infrastructure

The Energy Marketers of America (EMA), formerly known as the Petroleum Marketers Association of America (PMAA), is a federation of 47 state and regional trade associations representing energy marketers throughout the U.S. who supply 80 percent of all finished motor and heating fuel products sold nationwide including renewable hydrocarbon biofuels, gasoline, diesel fuel, biofuels, heating fuel, jet fuel, kerosene, racing fuel and lubricating oils. EMA member companies are mostly independent, family-owned, and operated businesses representing approximately 60,000 retail motor fuel stations nationwide and supply heating fuel to more than 5 million homes and businesses.

EMA members have invested billions to comply with complex regulatory requirements and provide a safe and efficient infrastructure for liquid fuels. As Congress sets forth proposals to address societal and environmental changes, policymakers need to consider long-term economic impacts when providing a path forward for cleaner liquid fuels. Addressing improvements in fuel efficiency and the carbon value of the fuel will yield big gains for the environment. We urge Congress to provide proper support for small business energy marketers and discourage policies that would impact their ability to compete in the marketplace.

Small Businesses Should be Protected in the Alternative Energy Grant Program

The past year presented momentous challenges for small business. In addition, although EMA members are resilient, they often face insurmountable barriers in accessing federal grant funds. Congress recognized this reality when establishing the Paycheck Protection Program to benefit business with fewer than 500 employees. Now, as Congress considers infrastructure and clean energy legislation, our request is that safeguards are established to ensure small businesses can access vital federal funds to advance alternative energy goals.

Specifically, we request explicit support for small businesses should Congress enact the Alternative Energy Grant Program. A provision included in S. 674, Clean Corridors Act of 2019, and H.R. 2, MOVING Forward Act (116th Congress) – the Alternative Energy Grant Program – proposed the creation of a grant program for states to deploy electric vehicle (EV) charging stations along designated alternative fuel corridors. While we applaud Congressional intent, we are concerned that grant funds may be consumed by large corporations before small under-served businesses have an opportunity to apply. Should this provision be included in future legislation, we request that the program be energy neutral and reserve at least one-third of total funding for small business energy marketers, with fewer than 500 employees, located along designated alternative fuel corridors.

Utilities and non-utilities, including private businesses, should be on a level playing field when building Alternative Energy Infrastructure

EMA is also concerned that the Alternative Energy Grant Program could permit utilities to double dip – meaning they could place the financial burden on rate paying consumers to finance EV infrastructure expansion, while also taking grant funds to subsidize the same projects. In fact, utilities have requested permission from state public utility commissions (PUCs) to raise rates on all customers. The rationale for the rate increase is, in part, to offset costs for installing EV infrastructure and charging networks. Unfortunately, these actions penalize not only ratepayers (who are unlikely to purchase an EV given cost limitations) but will also discourage small business energy marketers from investing in EV charging infrastructure. Ultimately, absent adjustments to this program, utilities will have an unfair competitive advantage over small business energy marketers who must justify economic risk associated with installing new EV charging and other alternative energy infrastructure. Elimination of potential loopholes will support competition, which will ensure consumers pay a competitive price for EV charging and other alternative energy sources. For more information, please go to https://transportationfacts.org/.

Support the DRIVE-Safe Act

Though 49 states and the District of Columbia allow individuals to obtain a commercial driver's license (CDL) at the age of 18, federal law prohibits those operators from moving goods from state to state until they are 21. The DRIVE-Safe Act (H.R.1745, S.659) establishes an apprenticeship program that would allow for the legal operation of a commercial motor vehicle in interstate commerce by CDL holders under the age of 21.

Although EMA drivers transporting fuel would not be covered under the DRIVE-Safe Act since drivers must be 21 to qualify for a hazardous materials endorsement (HME), EMA supports the bill because it would expand the number of CDL drivers overall, some of whom may choose to obtain an HME in the future.

Cosponsors of the DRIVE-Safe Act: S. 659 was introduced by Senators Todd Young (R-IN), Jon Tester (D-MT), Joe Manchin (D-WV), Tom Cotton (R-AR), Angus King (I-ME), Kyrsten Sinema (D-AZ), Jerry Moran (R-KS), Cindy Hyde-Smith and Jim Inhofe (R-OK). In the House, Rep. Trey Hollingsworth (R-IN) introduced H.R. 1745 along with Jim Cooper (D-TN), Bruce Westerman (R-AR), Henry Cuellar (D-TX), Troy Balderson (R-OH), Elissa Slotkin (D-MI), Darrin LaHood (R-IL), Jared Golden (D-ME) and Ashley Hinson (R-IA).

Interstate Rest Area Commercialization

To the detriment of retail motor fuel stations across the country, a provision in last year's House surface transportation reauthorization would allow EV charging options at rest areas. This provision is certain to undermine the significant investments small business energy marketers have made in communities and real estate directly off the U.S. Interstate System. Allowing EV chargers at rest areas will also discourage energy marketers located along highway exits from investing in charging infrastructure because they cannot compete with an on-highway option. When Congress created the Interstate Highway System in 1956, Congress and community leaders feared that local businesses, jobs, and tax bases would shrink as motorists and truck drivers bypassed their cities and towns. For this reason, Congress prohibited new Interstate rest areas from offering commercial services, such as food and convenience items offered at businesses along the highway exits. For over six decades, this prohibition on rest area commercialization has led to a thriving and competitive business environment. These businesses provide jobs, serve as an economic driver in the community, and make continued investments to provide consumers the best available products.

EV Tax Credit Concerns

EMA opposes expansion of the $7,500 EV tax credit from 200,000 vehicles per automaker to 600,000. The nonpartisan Congressional Research Service found that the credit will cost taxpayers $10 billion by 2022, while benefitting predominantly high earners making over $100,000 per year. All vehicle owners and operators, no matter what fuel type they choose, including electric vehicles, should pay their fair share for road maintenance and repair. EMA supports repeal of the tax credit and that EVs pay their fair share into the HFT.

"THE ASK" *Committees: House Transportation and Infrastructure; Senate Committee on Commerce, Science and Transportation*

We urge Lawmakers to:

- Ensure that any alternative energy grant program be energy neutral and reserve at least one-third of total funding for small business energy marketers, with fewer than 500 employees, located along designated alternative fuel corridors.
- Ensure that any alternative energy grant program does not permit electric utilities to double dip, meaning that they could charge their rate paying customers to expand EV infrastructure while also taking grant money to subsidize the same project.
- Cosponsor the DRIVE-Safe Act (H.R.1745, S.659).
- Oppose any attempt to commercialize rest areas.
- Ensure that all vehicle owners and operators, of any fuel type, pay their fair share for road maintenance and repair.

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