GRANY

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Small Business Owner,

As you may have heard, the CDC has relaxed their guidance for face coverings for fully vaccinated individuals.

Per New York State, businesses may:

- Require masks and six feet of social distancing for all patrons within their establishment; OR
- Require unvaccinated individuals to continue to wear masks and be socially distanced, and allow fully vaccinated individuals to not wear face coverings or socially distance.
- Businesses may require proof of vaccination status or may rely on self-reporting (e.g. honor system).

The New York State Department of Health strongly recommends that businesses require face coverings and six feet of social distancing in indoor settings where vaccination status of individuals is unknown.

This provision applies to most commercial settings, including but not limited to:

- Retail
- Food services
- Offices
- Gyms and fitness centers
- Amusement and family entertainment
- Hair salons, barbershops, and other personal care services

Pre-K to 12 schools, public transit, homeless shelters, correctional facilities, nursing homes, and healthcare settings are exempt from this provision and must continue to follow the State's existing COVID-19 health guidelines until more New Yorkers are vaccinated.

Class-Action Suit Filed Against Colonial Pipeline Over Shutdown

A North Carolina man has filed a class-action lawsuit against the owners of Colonial Pipeline, claiming he was forced to pay higher prices for fuel because the pipeline was not adequately protected against a ransomware cyber attack that led to it being shut down for six days.

The suit, filed by Ramon Dickerson, seeks damages for him and others impacted by the shutdown as well as a court order requiring the pipeline operator "to utilize appropriate methods and policies with respect to data and cybersecurity."

"The Defendant's unlawfully deficient data security has injured millions of consumers in the form of higher gas prices, and gasoline shortages that exist/existed, due to Colonial's decision to effectively turn off the pipeline," the suit says.

The suit could eventually include millions of plaintiffs, as it seeks to open participation to all motorists or entities who purchased fuel from May 7 through the present and paid higher prices as a result of the Colonial shutdown.

The suit contends that the operator of the 2.5-million-b/d pipeline which supplies about 45% of the fuel used on the East Coast, had an obligation to ensure its systems were adequately protected against malicious attack.

The suit cites several earlier cyberattacks on energy infrastructure and otherbusinesses and says that these incidents should have served as a warning to Colonial that it could be targeted for similar criminal action. Colonial, along with other operators of critical infrastructure systems, are given federal training on cybersecurity, further highlighting the need for preparedness, the suit says.

"By accepting the duty to deliver a critical commodity and to protect the pipeline in order to keep it running, Defendant had a duty of care to use reasonable means to secure and safeguard its computer systems and gasoline transmission operations," the suit said.

The suit says that, at this time, it's not known what steps Colonial took to protect itself from cyber assault or if it could have continued to operate the pipeline following the attack but chose to shutdown "to avoid losing some money the expense of the rest of the economy and national security."

Colonial Pipeline did not respond to a request for comment by publication time Friday.

The pipeline shutdown for six days starting May 7 due to the cyberattack. At the time, Colonial said that after the attack was detected it proactively took steps to take certain systems offline in an effort to contain the threat. Theshutdown led to panic buying of fuel and subsequent shortages in the Southeast. Though the pipeline resumed operations on May 12, some of those shortages persisted into the next week.

The suit contends the shutdown led to increased fuel prices. Prices had been rising prior to the shutdown due to rising demand as more motorists return to roads as COVID-19 restrictions are lifted. But, even with the fuel situation returning to normal after the shutdown, the U.S. Energy Information Administration on Friday reported that average retail fuel prices in the United States heading into the Memorial Day Weekend were the highest since 2014.

"Refinery production of gasoline has not kept up with increasing U.S. gasoline demand because of unplanned refinery and pipeline disruptions in recent months, which have contributed to rising retail gasoline prices," EIA said, pointing to the Colonial shutdown as one such disruption.

Dickerson's suit names Colonial Pipeline Company and its owners as defendants.

--Reporting by Steve Cronin

US DOJ Recaptures $2.3 Million Ransom Colonial Pipeline Paid to DarkSide

he U.S. Department of Justice (DOJ) said Monday it has seized 63.7 bitcoins valued at $2.3 million that allegedly represents the ransom payment Colonial Pipeline paid to DarkSide on May 8 following a ransomware cyberattack that halted the biggest U.S. refined product pipeline system for six days.

"After Colonial Pipeline's quick notification to law enforcement and pursuant to a seizure warrant issued by the U.S. District Court for the Northern District of California earlier today, the Department of Justice has found and recaptured the majority of the ransom Colonial paid to the DarkSide network in the wake of last month's ransomware attack," DOJ's Deputy Attorney General Lisa Monaco said at a press conference Tuesday afternoon.

DOJ said on or about May 7, Colonial Pipeline was the victim of the highly publicized ransomware attack resulting in the company taking portions of its infrastructure out of operation. Colonial Pipeline reported to the Federal Bureau of Investigation that its computer network was accessed by an organization named DarkSide and that it had received and paid a ransom demand of about 75 bitcoins.

On Monday, DOJ said by reviewing the Bitcoin public ledger, law enforcement was able to track multiple transfers of bitcoin and identify around 63.7 bitcoins, representing the proceeds of Colonial's ransom payment. Those 63.7 bitcoins had been transferred to a specific address, for which the FBI has the "private key," or the rough equivalent of a password needed to access assets accessible from the specific Bitcoin address, according to DOJ.

"Ransomware attacks are always unacceptable. But when they target critical infrastructure, we will spare no efforts in our response," Monaco said.

Monaco said the U.S. will use all available tools to make these attacks more costly and less profitable for criminal enterprises, and the U.S. will continue to target the entire ransomware ecosystem to disrupt and deter these attacks.

Monaco said DarkSide is a "ransomware as a service" group, whose developers sell or lease ransomware to use for a cyberattack in return for a fee or share of the proceeds. The group has been active since the better part of last year and has been indiscriminately targeting many other key players of the U.S.infrastructure, according to Monaco.

Monaco said that DOJ's Ransomware and Digital Extortion Task Force, launched in late May after the Colonial attack to combat growing ransomware and digital extortion attacks, helped work on seizing the alleged ransom payment from
DarkSide.

The 2.5-million-b/d Colonial Pipeline provides about 45% of the fuel used on the U.S. East Coast, carrying refined productions from Texas to the Northeast and metropolitan areas along the Eastern Seaboard. The pipeline was shut downon May 7 after the operator said its business systems were hit by a ransomware attack, and Colonial announced a restart of pipeline operations six days later in the afternoon of May 12.

--Reporting by Frank Tang

US Franchisees Ask 7-Eleven to Lift 24-Hour Mandate

7-Eleven franchisees have again asked 7-Eleven Inc. to relieve them from the mandate that all stores must be open 24 hours, according to a news release from the National Coalition of Associations of 7-Eleven Franchisees (NCASEF).

The franchisees said they need the waiver because of a"crippling" labor shortage, higher operating costs, lower gross margin and lower net profit, the press release said.

The public appeal is the second this month.

According to NCASEF lawyer Eric Karp, "In exchange for permission to close overnight, the company is requiring franchisees hand over a greater portion of their gross profits. What 7-Eleven refers to as an 'appropriate adjustment' to the gross profit split amounts to an improper penalty imposed on franchisee Based on circumstances well beyond their control."

7-Eleven has not responded to OPIS requests for comment.

--Reporting by Donna Harris

IRS, Treasury Announce Families of 88% of Children in the U.S. to Automatically Receive Monthly Payment of Refundable Child Tax Credit

The Internal Revenue Service and the U.S. Department of the Treasury announced that the first monthly payment of the expanded and newly-advanceable Child Tax Credit (CTC) from the American Rescue Plan will be made on July 15. Roughly 39 million households—covering 88% of children in the United States—are slated to begin receiving monthly payments without any further action required.

IRS and Treasury also announced the increased CTC payments will be made on the 15th of each month unless the 15th falls on a weekend or holiday. Families who receive the credit by direct deposit can plan their budgets around receipt of the benefit. Eligible families will receive a payment of up to $300 per month for each child under age 6 and up to $250 per month for each child age 6 and above.

The American Rescue Plan increased the maximum Child Tax Credit in 2021 to $3,600 for children under the age of 6 and to $3,000 per child for children between ages 6 and 17. The American Rescue Plan is projected to lift more than five million children out of poverty this year, cutting child poverty by more than half.

Households covering more than 65 million children will receive the monthly CTC payments through direct deposit, paper check, or debit cards, and IRS and Treasury are committed to maximizing the use of direct deposit to ensure fast and secure delivery. While most taxpayers will not be required to take any action to receive their payments, Treasury and the IRS will continue outreach efforts with partner organizations over the coming months to make more families aware of their eligibility.

This announcement represents the latest collaboration between the IRS and Bureau of the Fiscal Service—and between Treasury and the White House American Rescue Plan Implementation Team—to ensure help quickly reaches Americans in need as they recover from the COVID-19 pandemic. Since March 12, the IRS has also distributed approximately 165 million Economic Impact Payments with a value of approximately $388 billion as a part of the American Rescue Plan.

Additional information for taxpayers on how they can access the Child Tax Credit will be available soon on at IRS.gov/childtaxcredit2021.

March Total US Vehicle Miles Jump to Revisit Pre-Pandemic Levels: US Data

Total U.S. vehicle-miles in March soared to a 15-month high, returning for the first time to levels last seen before the start of the COVID-19 pandemic, according to the latest Traffic Volume Trends data compiled by the U.S.Department of Transportation's Federal Highway Administration (FHWA).

Total March U.S. vehicle miles, which measure travel on all public roads and streets, totaled 263.0 billion, the largest since December 2019 when the total was 272.2 billion, according to FHWA data.

March's total includes 79.6 billion vehicle miles on rural roads, and 183.3 billion on urban roads and streets. February's total comprised 60.7 billion vehicle miles on rural roads and 144.7 billion on urban roads and streets.

On a seasonally adjusted basis, March's U.S. vehicle miles were 261.1 billion, representing a 6.2% gain over those in February 2021, the largest monthly gain since June of last year.

Higher U.S. vehicle miles were boosted by sharp gains in all five regions monitored by the FHWA, with the Northeast surging by more than one third to 33.9 billion in March versus 25.2 billion in February.

Seasonally adjusted March's vehicle miles at 261.1 billion, however, were behind the 271.5 billion in March 2019, FHWA data show. Seasonal adjustments involve estimating and removing regular seasonal factors to make smoother month-to-month comparisons.

According to OPIS DemandPro data, U.S. average gasoline volumes in March 2021 on a same-store basis were up 2.3% versus March 2020 levels.

Versus March 2019 (two years ago), however, March 2021 same-store sales were 16.7% lower, according to OPIS data.

The marked increase in March U.S. vehicle miles reflects the robust U.S. coronavirus vaccination program and sharply lower overall COVID-19 cases, which prompted more Americans to travel and spend on vacation trips after living under pandemic restrictions for a year.

Continued success in vaccination and ongoing decreases in COVID-19 infections, at least for April and May, should bode well for vehicle miles for the rest of 2021.

According to the latest OPIS Demand Report that surveys more than 25,000 gas stations across the country, average U.S. station gasoline volumes for the week ending May 15 were off by only 6.6% from the same week in 2019. During the week, gasoline demand in the Southeast was 0.3% higher than two years ago, the only region to be positive versus the same week in 2019.

Traffic Volume Trends is a monthly report based on hourly traffic count data collected at about 5,000 continuous traffic-counting locations nationwide and submitted by all 50 states, according to the FHWA.
--Reporting by Frank Tang

Fuel Groups Warn of Fuel Shortages in Their States if TCI Adopted

A coalition of three regional fuel marketing groups are warning that a regional cap-and-trade program involving several Northeastern states will reduce fuel supply in those areas by 30% over the next decade, leading to shortages and possible hoarding.

The statement by the groups is the fuel industry's latest efforts at opposing the Transportation Climate Initiative (TCI), which so far has seen only three states and the District of Columbia agree to join.

The TCI aims to cut greenhouse gas pollution in the region by 26% by 2032, but opponents claim that the program is unnecessary since a lion's share of the program's reduction goals would be reached through existing and anticipated increases fuel economy standards.

In December, Massachusetts, Connecticut, Rhode Island and Washington, D.C., signed a memorandum of understanding indicating they'll participate in the program. That's just a small part of the 11 states in the region that supporters had hoped would participate in the TCI.

This week, the Connecticut Energy Marketers Association (CEMA), the Energy Marketers Association of Rhode Island and the New England Convenience Stores and Energy Marketers Association said their analysis of federal fuel demand data and proposed cap limits included in the TCI will reduce fuel supply by 30% over 10 years while demand only shrinks by 6.3% over the same period, according to forecasts by the U.S. Energy Information Administration (EIA).

"EIA data tells us clearly that stricter fuel economy standards in the future and a migration to electric vehicles will not keep up with TCI's planned reduction in the amount of fuel we will need," said Chris Herb, president of CEMA, during a press briefing on the study.

The groups contend this means that Connecticut will see a fuel shortfall of 41 million gallons in the third year of the program while the shortage will total nearly 381 million gallons in the 10th year. In Massachusetts, the shortfall will be nearly 52.5 million in the third year and nearly 636 million in 2032, while Rhode Island's shortfall will be nearly 14 million gallons in 2024 and103.5 million in 2032.

"Legislators don't understand that the whole program is about actually reducing the number of gallons that are available to the public. That is the only way to reduce emissions. If you keep selling the same amount of gasoline and diesel fuel, you have the same amount of emissions," Herb said. "The way the program works is they make less fuel available to the public to reduce consumption in the hopes that more people will work from home instead of driving their cars.That more people will purchase electric vehicles ... or they take public transportation. That will not be achieved, according to the Energy Information Administration, in the numbers that are needed."

The groups also contend that since allowance auctions will not be limited to regulated fuel sellers, it will encourage speculators to purchase allowance credits in hopes of re-selling them at higher prices in a secondary market, further raising the cost for fuel for consumers.

They also say that money raised through the sale of allowances will not match fuel tax revenue lost in Rhode Island and Connecticut due to the reductions required by TCI. Massachusetts, which has lower fuel taxes than the other two states, would likely see a revenue increase.

The groups said they were speaking out in hopes of dissuading legislators in Rhode Island and Connecticut from approving measures allowing their states to adopt the program. In Massachusetts, Gov. Charlie Barker has already begun to take action to adopt the program, Herb said.

"There's is no way to avoid significant fuel shortages in our states. To get an idea of what would happen if legislators approve TCI, we will see gas lines, and fuel runouts similar to the ones that we saw in the southeastern United States that we saw last due to a pipeline cybersecurity breach that caused panic among consumers," Herb said. "Proponents are painting this as this butterfly and unicorn emissions reduction program. It is far from that."

While Northeastern states initially looked to TCI as a way to address climate change in response to little action on the issue by the Trump administration, that's no longer the case now that President Joe Biden has made climate issues a priority for his administration, Herb said. That is one reason many of the states that originally considered joining the initiative have now put those plans on hold, he said.
--Reporting by Steve Cronin

National Gas Price Average Reaches Highest Mark in Six Years

The national gas price average rose to $3.04 per gallon as of May 17, the most expensive in six years.

While prices at the pump were expected to near $3 per gallon ahead of Memorial Day weekend, the nearly weeklong shutdown of the Colonial Pipeline prompted prices to spike weeks ahead of the holiday, according to AAA.

While the national average increased 8 cents on the week, Southeastern states such as Georgia, North Carolina and South Carolina saw prices jump as much as 21 cents in just a few days. However, prices in these states as well as the national average have stabilized since the pipeline resumed operations.

"The Southeast will continue to experience tight supply this week as terminals and gas stations are refueled," said Jeanette McGee, AAA spokesperson. "Over the weekend, gas prices started to stabilize, but are expected to fluctuate in the lead up to Memorial Day weekend."

The high prices are occurring soon before an estimated 34 million Americans take a road trip 50 miles or more from home over Memorial Day weekend. This marks a 52-percent increase from 2020 but is still 9 percent below pre-pandemic levels in 2019.

"This is going to be an expensive summer for motorists. However, we do not expect it to deter travelers from hitting the road," McGee said. "AAA finds that despite the higher pump prices, Americans still take their road trips but just may not travel as far as originally planned, or go to their planned destination and spend a little less."

Gasoline demand and crude oil prices are two major factors in determining how high gas prices get.

The week's top 10 largest gas price increases occurred in Georgia (up 21 cents per gallon), North Carolina (21 cents), South Carolina (21 cents), Virginia (18 cents), Tennessee (18 cents), Alabama (17 cents), Maryland (16 cents), Mississippi (12 cents), West Virginia (10 cents) and Texas (10 cents).

The current 10 least expensive markets are Mississippi ($2.72 per gallon), Louisiana ($2.72), Texas ($2.76), Missouri ($2.76), Arkansas ($2.76), Oklahoma ($2.78), North Dakota ($2.83), Minnesota ($2.83), Kansas ($2.84) and Alabama ($2.85).

Bubbles Bursting Across Board for Oil, Other Commodities: Analyst Zimmerman

Analysts frequently talk about the "perfect storm" when they look at price rises in various global commodities. Respected technical analyst Walter Zimmerman believes that late-winter and spring events this year set up the "perfect debacle," and it is playing out in spades across petroleum futures Wednesday.

Witness: With less than three hours left before NYMEX settlement, June RBOB had traded for as little as $2.0688/gal and was down 7.25cts/gal at $2.0884/gal at 11:40 a.m. EDT. June WTI briefly moved below $62/bbl but rebounded to $62.70/bbl, which still represented a $2.78/bbl loss on the day. The much more liquid July contract hit $62/bbl on the nose and was at $62.74/bbl at presstime.

Elements of the "perfect debacle" came via a round of strong buying related to Winter Storm Uri and the Electric Reliability Council of Texas power shutdowns in February. Then came the shutdown this month of the Colonial Pipeline, which led to viral behavior among consumers that hadn't been witnessed since the 1978-1979 Iranian crisis and oil shortage.

Now comes a slide, which although typical for the May "peaking window" for RBOB, was unexpected by many veteran and neophyte traders.

"I've been beating the bearish drum for weeks, warning that all this bullish sentiment across commodities was misplaced," Zimmerman told OPIS. The mention of rising "risk" fell largely on deaf ears, but thanks to a rush of selling in Bitcoin, lumber, agricultural futures and global equities, those ears are now hearing the message rather than the noise that often accompanies bull markets.

The ICAP analyst adds that a clear sign of trouble occurred weeks ago, when bullish sentiment in RBOB reached 82%, a level that almost always has hinted of an absence of new buyers. When the market for gasoline failed to reach new highs despite the sentiment extreme, that divergence represented another warning. Other signs for experts at determining bloated or misguided relationships popped up in the RBOB crack, and the RBOB minus ULSD spread.

Zimmerman notes that a typical slide from the preseason peaks is on the order of 15% to 25% of the top value. That would imply a future for RBOB that might be in the 33-55cts/gal neighborhood, which would point to much lower numbers than are being witnessed in today's market.

--Reporting by Tom Kloza

NECSEMA Executive Director Reflects on First Anniversary of Massachusetts' Flavored Tobacco Ban

June 1 marked one year since the Massachusetts ban on the sale of flavored tobacco products went into effect. The legislation made the Bay State the first in the country to bring flavor ban statewide.

However, the New England Convenience Store and Energy Marketers Association (NECSMA) is questioning the legislation's effectiveness.

In an op-ed piece in the Boston Herald, Jonathan Shaer, executive director of NECSMA, called the ban "a failed policy." According to Shaer, since its implementation, the state gas lost more than $140 million on menthol cigarettes alone.

"During the legislative debate in 2019, we warned that a billion dollars of demand for flavored tobacco existed in Massachusetts and where there is demand, there is a market. The only question would be where the products would be sold," he wrote. "The answer was either through the state's legal, licensed, regulated, enforced and taxed framework, or illicitly and untaxed — over state lines, online or through the black market. Now, thanks to Massachusetts' ill-advised policy, it's the latter."

He pointed out that the measure went ahead even though Massachusetts had a 95-percent statewide FDA-verified retailer compliance rate and neighboring New Hampshire is the No. 1 cigarette export state.

"One year later and with 11 months of cigarette excise tax stamp sales data publicly available, presumptions give way to facts. Massachusetts has lost more than $140 million while New Hampshire and Rhode Island have reaped almost $44 million and $25 million in newfound tax revenue, respectively," Shaer wrote. "Worse, the Ocean State and the Granite State have combined to sell 88 percent of cigarettes no longer sold in Massachusetts. Yes, nearly nine of 10 cigarettes once sold in Massachusetts are now sold by New Hampshire and Rhode Island, most of which are brought back into Massachusetts for personal consumption or illegal sale."

A few other states have taken up similar bans. Maryland lawmakers voted against a flavor ban, and Connecticut lawmakers amended a proposal to only include vapor products.

California voters will decide the future of the state's flavor tobacco ban in the November 2022 general election.

Because You Asked

Question. Do I have to train my clerks on both tobacco and alcohol sales?

Answer: Yes. The tobacco training program is administered by the Health Department, while the alcohol training program is administered by the State Liquor Authority.

They both do stings and neither one of them recognizes the other one's training. Do you and your employees a favor and take a few hours to be familiar with the penalties that await you, if you don't follow the rules. In addition to fines, those failing a sting may be arrested. You will see your penalties lessened as well if you train your employees.

DMV Record Retrieval

DMV record retrieval is available to association members and affiliates at a cost of $12 per record. Additionally, you may order DMV certified paper abstracts of driver's license, vehicle registration, and vehicle title records for an additional fee of $2 per abstract. Please call 518-452-4367

Attention Inspection Stations

The Association has received a flurry of requests for legal representation for violations of the DMV commissioner regulations known as "clean scanning." that is when a vehicle other that the one to be inspected is substitute for the OBD-II part of the test. We have no defense for these violations. DMV has the ability to trace the OBD-II inspection to the vehicle used for the inspection.

If you cannot pass a vehicle for any reason, get help. That help could come from DMV. This violation almost always results in revocation.

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Lawley Declares Dividend for 29th Year

NEW YORK STATE ASSOCIATION OF SERVICE STATION & REPAIR SHOPS, INC

Declared Dividend is 35%

In 2021* the New York State Association of Service Stations & Repair Shops, Inc. is proud to declare a dividend for the Workers Compensation Safety Group #536 of **35%**. This will be the 29th consecutive year that the group will pay the dividend.

In addition to this dividend, members have enjoyed as much as a **60%** savings on their premiums.

Checks will be processed March 15th and mailed directly to your address by The State Insurance Fund.

** Applies to Policy Term 5/1/19 - 5/1/20*

Further Details

Please contact:
Bill Adams at 716.849.8641 or by email at badams@lawleyinsurance.com if you have any questions or concerns.

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