RSGDA

REPAIR SHOP & GASOLINE DEALERS ASSOCIATION

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House Subcommittee Favorably Reports REPAIR Act to Full Committee

The United States House of Representatives Subcommittee on Innovation, Data, and Commerce, of the House Energy and Commerce Committee, favorably reported HR 906, the "REPAIR Act," to the full committee for future consideration. After a robust, bipartisan discussion about the importance of this legislation and ideas about how to better protect consumers as well as the independent aftermarket, the REPAIR Act cleared this initial hurdle without objection from any Member of the Subcommittee.

HR 906, commonly known as the "REPAIR Act, favorably moved to future consideration on Thursday, Nov. 2, 2023, after a review by the United States House of Representatives Subcommittee on Innovation, Data, and Commerce, of the House Energy and Commerce Committee. It's the furthest down the road it's advanced.

Auto Care Association President and CEO Bill Hanvey.said "Well, the reaction is cautious optimism and the fact that we are advancing with the REPAIR Act is really good news for our industry. We understand that work is not done. There's going to be a lot of horse trading, that will have to happen, but this is the furthest that we've advanced this. We greatly appreciate the subcommittee's support, and we are willing to come to a common agreement, and we're common legislation that benefits everybody."

He continued "Our 4.7 million employees that are in our industry are our key. The automakers have more lobbying money. They have more lobbyists. They have more lawyers. But what they don't have is the folks that are in our industry. So, we're actively soliciting every member of this industry that this is their battle to win, so even though we may not have as much money, we have these great men and women in our industry, that have a voice. That's the important thing is to make them feel comfortable expressing their voice. Make them aware of the issue. Make them aware of the ramifications of that issue. And then obviously educating them and then having them activate their voice."

The ACA has created a website

http://www.repairact.com

which automatically sends your legislators an email requesting their support of the bill. It also contains support materials for your customers. *The last attachment of this newsletter is a flyer that we have created for you to hand-out to your customers. It requests that they go to the website to support the bill as well.*

Maine Votes 'Yes' on Right to Repair

Maine has overwhelmingly voted to pass the Automotive Right to Repair Act referendum, Portland Press Herald reports.

With 68% of votes counted, 84% of voters have approved Question 4. The Associated Press had already called the race with 45% of votes counted.

The citizen's initiative faced ire from auto manufacturers, represented by a trade group called the Alliance for Automotive Innovation. The organization donated $110,000 to a political action committee called Automakers and Repairers for Vehicle Repair Choice in an attempt to sway the vote.

Tommy Hickey, director of the Maine Automotive Right to Repair Coalition, plans to sit with Maine's attorney general to discuss how to implement the law.

However, it could still face some trouble, with opponents calling on the legislature to reconsider it. With it having originally gone before a committee as a bill, legislators will have the ability to amend it.

Requirements For Selling Your NYVIP License And Machine

The Association has received several questions regarding what is required to sell a NYVIP license and machine. According to DMV, if you are in a county which allows this transaction, you need to first setup and operate your NYVIP3 machine. NYVIP2 licenses are not transferable. All NYVIP2 machine were inactivated on December 1st. The association recommends that you set up the machine immediately upon its arrival so there is time to resolve any issues that may arise.

UAW Reaches Tentative Deal With 'Big Three'

The United Auto Workers (UAW) have reached a tentative agreement with General Motors (GM), Ford and Stellantis, the Detroit Free Press reports.

After reaching a deal with Ford this past Wednesday and Stellantis this past Saturday, an anonymous source familiar with the agreement said that a deal between GM and UAW was reached in the early hours of Monday morning after concerns with GM's joint-venture battery plants were addressed.

What was predominantly holding up an agreement was how to include Ultium Cells LLC battery plants in a master labor contract. Ultium Cells is a joint venture between GM and LG Energy Solution and figuring out the language to form a master contract with it was a difficult task.

With the GM agreement, joint-venture workforces can vote on unionizing future plants and decide if they want their own contract or to be part of the master contract.

The GM agreement reflects the financials of the recent Ford agreement: a 25% wage increase throughout the 4.5-year contract and the return of the 2009 cost-of-living adjustment formula.

A UAW National GM council vote on the agreement will be held later this week, and if approved, will be presented by local leaders to general members for them to approve or reject. Local union leaders at Ford are also expected to review the Ford agreement with its members in the coming days for its members to approve or reject.

The ongoing strike affected auto shops across the country, limiting their access to necessary parts.

Though Ford and Stellantis strikes have ceased, GM still has several facilities on strike, including 18 parts distribution centers.

Several Automakers Recall a Total of Over 2.1M Vehicles

Several recalls have been issued by the National Highway Traffic Safety Administration for more than 2.1 million vehicles, USA Today reports.

Toyota has recalled 1,853,568 of its 2013-2018 RAV4 SUVs due to certain replacement 12-volt batteries not properly fitting in the battery tray, potentially causing the battery to move, make contact with the hold-down bracket, and cause a short circuit.

Ford has recalled nearly 187,922 of its 2020-2023 Mustangs because of a faulty brake fluid level sensor not activating the visual warning indicator when fluid is low.

Chrysler recalled 97,066 of its 2022-2024 Jeep Wagoneer and Grand Wagoneer SUVs as a result of the third-row seat belts not allowing passengers to access them or properly buckle them.

Mazda has recalled 11,903 of its 2024 CX-90 SUVs and Mazda3 compact vehicles due to a software error preventing the rearview, front, and/or side camera images from displaying. Additionally, Mazda has also issued a recall for 4,252 of its 2024 CX-90 plug-in hybrid electric SUVs as a result of a software error causing the engine and electric motor to involuntarily shut down.

Kia recalled 6,262 of its 2015-2019 Soul EV compact cars because of a damaged parking mechanism, potentially leading to unexpected vehicle movement when the gear shift is in "park" and the emergency brake is not engaged while the vehicle is powered on.

Porsche has recalled 2,923 of its 2021-2023 911 Turbo S, 2022 911 Turbo, 2022-2023 911 GT3 Touring, 911 GT3, 911 Carrera 4 GTS, 2022-2024 911 Carrera GTS, 2023 911 GT3 RS, 911 Dakar, and 2024 911 Carrera T vehicles containing optional full bucket seats due to seat-mounted air bags deploying upon a collision when it isn't necessary.

Nissan has recalled 988 of its 2023-2024 Nissan Z sports vehicles due to fasteners left-side front bumper reinforcement clip becoming loose and preventing the pop-up engine hood from functioning.

Finally, Subaru has recalled 49 of its 2024 Forester SUVs after it was found an engine water pipe may have loose attachment bolts, thereby causing the pipe to lose its seal and leak coolant.

Toyota Recalls Over 750K SUVs

Toyota has issued a recall for around 751,000 large SUVs in the U.S. due to an issue causing the front bumper covers to detach, WGN9 reports.

Vehicles under recall are certain 2020 through 2023 model year Toyota Highlanders, including gas-electric hybrids.

According to a statement from Toyota, the issue stems from mounting tabs that connect resin front lower bumper covers to the vehicle. Even a minor impact to the lower bumper cover assembly can cause the mounting tabs to detach and parts of the assembly to fall into roadways.

To remedy the problem, dealers will inspect bumper cover tabs for damage. If none is found, they will install improved hardware to hold the covers. In the case that there is damage, the upper and/or lower bumper covers will be replaced before improved hardware is installed.

EV Makers Turn to Discounts to Combat Waning Demand

Buyers looking to get a bargain on a new car might want to consider an electric vehicle.

As sales growth has slowed for battery-powered models, automakers and dealers are slashing prices and piling on discounts to clear out unsold inventory.

Some automakers, such as Hyundai Motor and Ford Motor, are this month offering cash rebates as high as $7,500 on some models. Others are resorting to aggressive lease deals that offer cheaper monthly payments or shorter contract lengths to attract buyers. Many car companies are offering low-interest rate promotions in an attempt to make pricey EVs more affordable.

Market leader Tesla has slashed prices this year across its lineup, reducing the starting price of some models by roughly a third. Ford Motor has also marked down its Mustang Mach-E SUV at least two times this year.

For consumers such promotions can be a boon, helping to shrink the price difference between an EV and a traditional gasoline vehicle. But it is another sign that the once-hot market for these models is losing its charge.

Car executives and dealers say the discounts and price cuts are necessary because buyers are less willing to pay a premium for an EV.

Discounts are frequently used by carmakers to grab market share or sell unpopular models, but they also dent profits and can hurt resale values for buyers owning those models.

During the pandemic, the industry pulled back on such deals, in part because they had little inventory to sell. Still today, the spending on incentives and other sales promotions has remained constrained, helping to keep profits across the car business elevated.

The EV market has emerged as the one exception, partly because of new restrictions on a $7,500 federal tax for EV buyers and a more general slowing of demand for the technology, which for buyers comes with other challenges, such as needing a place to regularly plug in.

The new rules that went into effect in April limited the number of EV models eligible for the subsidy. Rather than let sales slump, many affected brands have tried to offset the loss of the $7,500 tax credit with a sales incentive for the same amount.

Tesla's deep price cuts have also put pressure on others to respond with their own reductions.

"We've seen the price come down much quicker than we had expected," John Lawler, Ford's chief financial officer, said during an earnings call in October.

The sales promotions have taken different forms.

Ford is offering a $7,500 cash rebate on top of the federal tax credit on some F-150 Lightning pickup trucks. Volkswagen is advertising a lease deal for the ID.4 electric SUV with no down payment.

On average, customers got a roughly $2,000 discount on an EV in September, compared with a year prior when they paid a $1,500 premium, according to car shopping website Edmunds. Industrywide shoppers paid around $930 less than the sticker price in September, according to the Edmunds data.

The wave of discounts is also threatening to exacerbate problems at loss-making startups, which are swiftly burning through their remaining cash. Luxury electric-vehicle maker Lucid Group in August marked down the price of its vehicles by up to $13,000, which analysts say is a sign of weakening demand.

EV startup Fisker said in October that it was lowering the price of its Ocean Extreme SUV, a brand-new model that went on sale this year, by $7,500 in response to "competitive realities." Fisker's vehicles don't qualify for a federal tax credit because they are built outside the U.S., and the Lucid Air sedan is too expensive.

Dealers say part of the problem is that a wealthier group of early EV adopters have already purchased a vehicle. Now, the industry is confronting a more reticent group of consumers, who are already being squeezed by high interest rates and rising costs.

"I think there was a miscalculation about demand and how much EVs would be coveted," said Joseph Yoon, an Edmunds analyst.

Electric vehicles are now some of the slowest sellers on dealership lots. In September, it took retailers over two months to sell an EV, compared with around a month for gas-powered vehicles and only three weeks for a gas-electric hybrid, according to data from Edmunds.

That trend is an expensive proposition for dealers who take out loans to finance their fleet. The longer a vehicle sits the more it eats into any potential profit, Yoon said. EV sales are growing in the U.S., but demand has been weaker than carmakers expected, which is causing unsold models to pile up on dealer lots.

The slowdown is also problematic for car companies that are plowing billions of dollars into new battery plants and factories to build more EVs. These investments were made when many of these models were in high demand and had long wait lists.

Some automakers are now pulling back to prevent more EVs from stacking up on dealer lots. General Motors said in October that it would delay the opening of an EV truck plant until the end of 2025, a year later than planned. Ford last month said it was temporarily cutting a shift of production for its F-150 Lightning pickup, and a union memo viewed by The Wall Street Journal indicated that a shift could be cut permanently because of lagging demand.

The discounting activity is helping to bring down the cost of battery-powered cars, which on average sold for about $50,683 in September, down from more than $65,000 last year, according to industry service provider Cox Automotive. By comparison, prices overall for new vehicles have remained steady at about $48,000.

Car executives and dealers say the discounts will likely continue for now, especially in the form of lease offers.

Leases have become a popular way for dealers to sell EVs because they can bypass domestic manufacturing, price and buyer income restrictions that disqualified many foreign-made vehicles. In an EV lease transaction, lenders are eligible for a $7,500 tax credit that they can choose to pass along to the consumer in the form of a better lease deal.

The majority of EV transactions now are leases, say many dealers. Historically, leases have accounted for roughly 30% of the car market, although that figure has fallen in recent years.

Leasing has become a popular option even for vehicles that qualify for a purchase credit, such as the Volkswagen ID.4. Leases accounted for around 80% of ID.4 sales over the past three months, said Ed Reed, who runs the Ontario Volkswagen dealership in Southern California.

Ultimately, the discounts are a costly way to buoy demand, said Jeff Dyke, president of Sonic Automotive, a publicly held car retailer with dealerships around the U.S.

"Is it sustainable forever? Absolutely not. They're going to have to find a way to make these things cheaper," Dyke said.

--Reporting by Sean McLain

Global Lithium Producers Bullish on EV Demand

The largest lithium producers across the globe are remaining bullish on long-term demand for the battery material, Reuters reports.

This has been sparked by recent price drops, exacerbated by concerns that electric vehicle adoption is slowing across the world.

LG Energy Solution, General Motors, Honda, and other automakers and battery manufacturers have cut down on their EV expansion plans recently following rising interest rates and concerns about an overabundance for lithium.

Benchmark Mineral Intelligence has kept track of lithium prices this year and found that prices have dropped more than 60%.

Demand for lithium is expected to be higher this year than in 2022, but investors have low expectations for industry growth due to unimpressive quarterly reports from Albemarle, Pilbara Minerals, Livent, and others.

The world's largest lithium-producing country, Australia, saw Pilbara Minerals become the most-shorted stock on the Australian Stock Exchange, leading many to think that investors are not optimistic about lithium demand.

Chris Berry, an independent lithium analyst and consultant, has told his clients to focus on price ranges offered for lithium, not just spot. Berry added that lithium prices today still outdo historical trends.

Lithium producers have expressed in recent days through calls to investors and analysts that they view the current market volatility as being temporary and that electrification will continue to expand.

BP Inks $100M Deal to Boost EV Charging Network

Electric vehicle (EV) charging stations are coming to more convenience stores across BP's network.

In a new deal, BP's EV charging business, BP pulse, will acquire ultra-fast charging hardware units from Tesla for $100 million. The investment will facilitate the expansion of the BP pulse public network across the United States, while also enabling support for EV fleet customers by deploying chargers at their private depots.

This marks the first time the hardware for Tesla's chargers will be purchased for an independent EV charging network, according to BP. The pact is part of BP's plans to invest up to $1 billion in EV charging across the United States by 2030.

Beginning in 2024, the charging units will be rolled out to key sites across the BP family of brands, including TravelCenters of America, Thorntons, AmPm and Amoco, as well as at BP pulse's large-scale Gigahub charging sites in major metropolitan areas and at third-party locations, such as Hertz locations, as part of previously announced collaborations.

The first installation sites have been identified in Houston, Phoenix, Los Angeles, Chicago and Washington, D.C. Tesla's chargers will also be deployed at select BP pulse fleet customer depots.

Tesla ultra-fast chargers, which have an output of 250 kW, will be branded, installed and operated by BP pulse. The chargers will be fitted with Tesla's Magic Dock, which is compatible with both North American Charging Standard and Combined Charging System connectors.

Gas Station Tracker Suggests Year-to-Year Declines in Patronage

The Energy Information Administration's numbers attempting to quantify gasoline demand haven't been superlative recently and a gas station visits tracker from RBC Capital Markets suggests that U.S. consumers have cut back on their fuel purchases.

The RBC web tracker introduced in the summer provides a weekly read on physical gas station visits at more than 135,000 stations across the country. Whereas in late summer, it tended to show increased visits at fueling sites, the numbers have deteriorated recently.

Data for the week ending Oct. 20 show week-to-week declines as well as sharp downturns in visits when compared to the same week in 2022.

The year-to-year comparisons are striking. East Coast (PADD 1) visits were down 6.76% from 2022 last week and Midwest (PADD 2) visits declined 6.77%. The overall national number slipped 6.29% on a year-to-year basis. The least attrition occurred in the Rocky Mountain region (PADD 4) with a drop of 2.67%. Gulf Coast (PADD 3) visits declined 5.32% and the West Coast (PADD 5) slipped 4.32%.

The weekly declines ranged from a nominal 0.27% in the Rockies and similar small fractions at the Gulf Coast and on the West Coast. The weekly decline was 2.17% in the East Coast and 1.11% in Midwestern states.

--Reporting by Tom Kloza

US Vehicle Traffic in September Exceeded Year-Ago Levels, Federal Data Show

Vehicle traffic in the U.S. fell steeply in September as the summer driving season came to an end but continued to exceed year-ago levels, according to Federal Highway Safety Administration data released Monday.

Travel on all U.S. roads and streets has topped 2022 levels every month so far this year. In September, it is estimated drivers covered 275.6 billion miles, an increase of 0.9% -- or about 2.4 billion miles -- from travel seen in September 2022. Travel, however, fell by 12.76 billion miles or 4.4%, from levels seen in August. September's total is the lowest seen since March, according to the data.

The year-to-year increase in travel came as U.S. gasoline prices averaged $3.8396/gal, about 2.8% higher than the $3.7332/gal average seen during the September 2022, OPIS data show. January was the only other month in 2023 to see average gasoline prices top the same period in 2022, according to OPIS data.

Travel during the month rose in all five regions in which the FHSA divides the country, with the largest increase a 1.7% gain in the South Atlantic region and the smallest a 0.3% gain in the North Central region, which is centered on the Great Lakes.

Nebraska saw the largest percentage increase in miles traveled with a 3.4% gain to 1.89 billion miles.

During the month, travel lagged 2022 levels in 16 states and the District of Columbia. The decreases were in Maryland (2.1%), Oklahoma (1.9%), Delaware (1.7%), District of Columbia (1.6%), Hawaii (1.2%), Louisiana (1.2%), Missouri (1.1%), Virginia (1.1%), Kansas (1%), Connecticut (0.5%), New Jersey (0.5%), Illinois (0.5%), Oregon (0.5%), Alaska (0.4%), Iowa(0.3%), Alabama (0.3%) and Arkansas (0.1%).

Despite the increase in overall miles traveled during the month, OPIS DemandPro data -- which is based on weekly surveys of more than 30,000 retailers nationally -- showed that same-store gasoline sales in September were 4.5% behind those during the same month last year.

--Reporting by Steve Cronin

Inflation Flat, US Gasoline Prices Fall in October: CPI

The government's index for gasoline prices fell 5.0% in October, after increasing 2.1% in September and 10.6% in August, the U.S. Bureau of Labor Statistics reported Tuesday.

The numbers show gasoline prices have declined twice in the last seven months, with the last decrease of 5.6% in May.

The Consumer Price Index for all goods was flat in October on a seasonally adjusted basis, after increasing 0.4% in September, the bureau said. Year to year, the CPI rose 3.2%, smaller than the 3.7% annual increase seen in September.

Prices for the energy sector declined 2.5% in October and 4.5% year to year. Gasoline prices declined 5.3% year to year and fuel oil prices dipped 0.8% in October and 21.4% from last year.

Heading into the heating season, electricity rose 0.3% and gas utilities increased 1.2% in October. Electricity also increased 2.4% year to year, while gas utility prices dropped by 15.8% from a year ago.

The price index for food away from home increased 0.4% in October, the same increase seen in September. The index for limited-service meals rose 0.5% month to month, and the index for full-service meals rose 0.3% over the month, the bureau reported.

--Reporting by Donna Harris

Dollar Sales at US Gas Stations Decline After Three Months of Increases

Dollar sales at U.S. gas stations declined month to month in October after three straight months of increases, according to Census Bureau data updated Wednesday.

The agency said October dollar sales declined to $56.589 billion from $56.744 billion in September and were down 7.5% from $61.206 billion a year ago.

The numbers are adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, the bureau said.

The sales figures remain close to highs seen in 2022, when retail fuel prices rose to record levels. Retail fuel station sales broke the $50 billion threshold for the first time in October 2021 and reached $60 billion for the first time in March 2022, the agency's data showed. The record high was set in June 2022, when dollar sales exceeded $68 billion.

Dollar sales surpassed $60 billion in eight months last year, but the sales total has been in the $50 billion range since December, according to the agency's data.

The last time dollar sales exceeded $60 billion was in November 2022. Dollar sales declined eight straight months from November 2022 through June 2023, then increased three months from July through September 2023.

--Reporting by Donna Harris

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RBOB Futures Hit 2023 Lows; Most East of Rockies Spot Gasoline Below $2/gal

Most East of the Rockies gasoline markets dropped below the $2/gal level early Thursday, as the U.S. gasoline futures markets sold off aggressively with a lack of notable news headlines behind the move.

The price decline in the spot gasoline market is mostly contributed by sharply weaker NYMEX RBOB futures, which hit a fresh low for the year at $2.1174/gal for the front-month December contract.

Trade sources said that the crude oil market has flipped into contango as the January premium to December is starting to widen. There was also talk of sell-stops being activated once West Texas Intermediate crude futures fell below the $76/bbl level, which has compounded the sell-off in product futures.

The contango in WTI futures currently carries out to the March contract. At around 10:30 a.m. ET, December WTI is off by just over $3 at $73.54/bbl.

Refined products are taking on sizeable losses Thursday, with the front month RBOB contract down more than 8cts trading at $2.1184/gal after reaching the new 2023 low. Meanwhile ULSD is off by 9.5cts at $2.7737/gal.

Futures weakness has taken Gulf Coast gasoline to the $1.895/gal level, the low watermark for the year. Chicago prompt CBOB has slipped below $2 to $1.99/gal, while the Group 3 market has dropped to around the $1.965/gal level. Gulf Coast, Group 3 and Chicago are all punching new lows for 2023.

Meanwhile, a sizable spread between cash gasoline in the Gulf Coast and New York should keep line space markets well-supported.

West Coast gasoline prices are also down sharply, but markets there remain above the low marks of the year seen in late October.

There are already plenty of racks that see prices below $2/gal throughout the Southeast. With the latest drop, some locations may start to see sub-$1.90 levels. In addition, sub-$2/gal racks should start to reach further north into mid-Atlantic states and even trickle into some reformulated gasoline markets.

--Reporting by Denton Cinquegrana

U.S. Crude Oil Exports Reached a Record High in First Half of 2023, EIA

U.S. crude oil exports in the first half of 2023 averaged 3.99 million barrels per day (b/d), which is a record high for the first half of a year since 2015, when the U.S. ban on most crude oil exports from the United States was repealed. In the first half of 2023, crude oil exports were up 650,000 b/d (19%) compared with the first half of 2022.

Europe was the largest regional destination for U.S. crude oil exports by volume, at 1.75 million b/d, led by exports to the Netherlands and UK. Asia was the region al destination with the next-highest volume, at 1.68 million b/d, led by exports to China and South Korea. The United States also exported significantly smaller volumes of crude oil to Canada, Africa, and Central America and South America.

Although exports increased in the first half of 2023, the United States still imports more crude oil than it exports, meaning it remains a net crude oil importer. The United States continues to import crude oil despite rising domestic crude oil production in part because many U.S. refineries are configured to process heavy, sour crude oil (with a low API gravity and high sulfur content) rather than the light, sweet crude oil (with a high API gravity and low sulfur content) typically produced in the United States.

Federal Lawmakers Call for Probe of Recent Oil & Gas Deals

Senate lawmakers sent a letter to the U.S. Federal Trade Commission (FTC) raising concerns about two recent deals announced by Chevron Corp. and Exxon Mobil Corp.

In October, ExxonMobil announced that it would be acquiring Pioneer Natural Resources in an all-stock transaction valued at $59.5 billion. The merger would effectively combine Pioneer's more than 850,000 net acres in the Midland Basin in the U.S. with ExxonMobil's 570,000 net acres in the Delaware and Midland Basins, creating an estimated 16 billion barrels of oil equivalent resource in the Permian, according to the company.

Chevron, meanwhile, plans to acquire Hess Corp. for $53 billion, with both boards of directors already approving the transaction. The purchase would give Chevron a major foothold in the Stabroek block in Guyana, while Hess' Bakken assets add another leading U.S. shale position to Chevron's DJ and Permian basin operations.

The breadth of the two deals, especially in regard to the potential monopoly in the U.S. Permian basin, has alarmed some on Capitol Hill, Bloomberg reported. According to the news outlet, Senate Majority Leader Chuck Schumer (D-N.Y.), along with 22 other Democratic senators, are urging the FTC to look into whether the acquisitions could violate antitrust laws.

In prepared statements to various outlets, ExxonMobil denied that its proposed merger would present any danger of depressed competition.

According to Bloomberg, the renewed scrutiny on such acquisitions follow a 2021 White House directive, which urged the FTC to more closely examine deals in the oil and gas sector. The rate of approval of smaller mergers has since slowed down, however an acquisition hasn't been blocked in years.

US Gas Station Wages Dip Slightly, but Up From Year Ago

Average hourly wages for U.S. gas stations and gas stations with convenience stores declined in September after August figures were adjusted upward but remained close to their peak, according to Bureau of Labor Statistics figures updated Friday.

In September, hourly wages for nonsupervisory workers at gas stations averaged $16.89, the second-highest average on record, but down from the all-time high of $16.93 reached in July and August, the numbers show. The average gas station wage was up 4% from the year-ago average of $16.24.

The September average hourly wage for gas stations with convenience stores was $16.74, down from $16.76 in August and from the record $16.78 in July but up 4.4% from $16.03 a year ago.

Though gas station wages dipped, the average hourly wage across retail businesses rose to $20.71 in September from $20.53 in August, the bureau's figures show. But year to year, retail wages were up 4%, in line with the increase in average wages at gas stations.

Nonmanagerial wages for some competing retail channels average more than $17 per hour. Supermarket wages averaged $17.28 in September, up from $17.23 in August, and liquor stores averaged $17.68, down from $18.14 in August. Restaurants overall averaged $17.55 in September, down from $17.58 in August. However, limited service restaurants paid lower wages, averaging $15.51 in September, up from $15.47 in August.

The average hourly wage for nonmanagerial workers at petroleum products wholesalers in September increased to $30.47 from $30.29 in August but was down from $30.56 a year ago, the bureau reported.

--Reporting by Donna Harris

NACS Joins Challenge to New Joint Employer Rule

NACS joined the U.S. Chamber of Commerce and a coalition of business advocacy groups in filing a lawsuit against the National Labor Relations Board (NLRB) in the U.S. District Court for the Eastern District of Texas over its new joint employer rule.

The suit claims the rule violates the National Labor Relations Act and accuses the NLRB of acting arbitrarily and capriciously in violation of the Administrative Procedure Act.

The NLRB's new rule rescinds the 2020 joint employer measure, making it easier for companies to qualify as joint employers, including in franchising, contracting and supply chains, according to NACS Daily. It also broadens liability for employers and enables unions to organize across companies instead of store by store.

"If the rule is allowed to go into effect, it will have far-reaching consequences for businesses of all sizes," the U.S. Chamber of Commerce wrote in a press release. "A previously expanded joint employer rule was in place from 2015 to 2017 and cost franchise businesses, a majority of which are small businesses, $33 billion per year. That resulted in 376,000 lost job opportunities and led to 93 percent more lawsuits."

Small Operator Trade Groups Rally Against Proposed Menthol Ban

Trade associations representing small businesses are speaking out against the U.S. Food and Drug Administration's move to ban menthol from cigarettes.

On Oct. 31, 47 state and regional energy marketing trade associations joined together to oppose the proposed federal ban on menthol cigarettes. The opposition comes two weeks after the FDA sent a final product standard that would prohibit the use of menthol in cigarettes, roll-your-own tobacco and heated tobacco products to the White House Office of Management and Budget (OMB) for final review. The OMB reviews potential regulations to assess their economic impact — a necessary step before the FDA's rule can be implemented.

"Tobacco bans and taxes don't change consumer demand. These bad policies steal from hardworking American small businesses and fund violent crime. At a time when we are already struggling as a nation to police our international borders, a nationwide menthol ban will pour fuel on a raging fire," said Peter Brennan, the executive director of the New England Convenience Store & Energy Marketers Association.

According to the groups, a menthol ban will contribute to illicit tobacco trafficking and drive legitimate tobacco transactions to the illicit market. They added there is no scientific evidence to support a nationwide public health policy that would treat menthol cigarettes differently than other cigarettes, and as menthol cigarettes are the product of choice for smokers in communities of color, the policy will disproportionately impact those communities.

If approved, the policy proposal will create the largest prohibition of a legal adult product in modern history, the groups added.

The groups, who are members of the Energy Marketers Association (EMA), urge the White House consider the broad consequences.

"Banning the use of menthol in cigarettes would have a cascading effect on companies who supply fuel to independently owned and operated small business gas stations. Retailers will likely be unable to pay for their next load of fuel and pay for EV charging equipment due to the potential major revenue loss from a menthol flavor ban. Many small businesses will likely go out of business given the magnitude of this proposed rulemaking," said Rob Underwood, president of EMA.

Industry Associations Urge Retailers to Speak Against Menthol Ban

Trade associations are speaking out against the U.S. Food and Drug Administration's (FDA) move to ban menthol from cigarettes and flavored cigars.

This week, NACS sent a letter to the White House urging President Joe Biden to reconsider the proposal, and expressed concerns regarding bans, such as the growth of the illicit tobacco market, sales of unregulated products and the detrimental impact the loss of the tobacco products will have on small businesses, reported NACS Daily.

Addressing the proposed bans, NACS wrote, "if implemented, they are likely to usher in an array of negative unintended consequences by adding to the already burgeoning illicit tobacco market, moving business away from legitimate companies to unregulated foreign producers, and removing the consumer guardrails put in place by responsible sellers like the convenience store industry."

The push comes less than a month after the FDA sent a final product standard that would prohibit the use of menthol in cigarettes, roll-your-own tobacco and heated tobacco products to the White House Office of Management and Budget (OMB) for final review.

The OMB reviews potential regulations to assess their economic impact — a necessary step before the FDA's rule can be implemented.

Menthol cigarettes account for 34 percent of cigarettes sales and flavored cigars account for 51 percent of cigar sales in convenience stores. Collectively, menthol cigarettes and flavored cigars combined for $23.7 billion in sales last year, according to NACS, who said banning these products will drive demand toward the illicit market instead of small businesses like c-stores.

Another consequence of the proposal, NACS also emphasized, would be the sale of unregulated tobacco products. Products in the illicit market are often imported from sources outside the United States and lack the quality control and safety standards that FDA-regulated products meet. This means consumers to face the risk of unknowingly exposing themselves to potentially dangerous ingredients.

NACS encourages convenience retailers to use the NACS Grassroots portal to send a message to the White House voicing concerns for their businesses and the industry at large if the bans were to go into effect. The portal has a text box where they can send a personalized message to the White House, or they can send the prewritten message that NACS has provided.

FTC **Releases Reports on Cigarette and Smokeless Tobacco Sales and Marketing**

The number of cigarettes that the largest cigarette companies in the United States sold to wholesalers and retailers nationwide decreased from 190.2 billion in 2021 to 173.5 billion in 2022, according to the Federal Trade Commission's most recent Cigarette Report.

The report also states that in 2022, menthol flavored cigarettes comprised 36 percent of the market among major manufacturers.

The amount spent on cigarette advertising and promotion decreased from $8.06 billion in 2021 to $8.01 billion in 2022. Price discounts paid to cigarette retailers ($5.74 billion) and wholesalers ($1.14 billion) were the two largest expenditure categories in 2022. Combined spending on price discounts accounted for 85.9 percent of industry spending.

According to the Smokeless Tobacco Report, smokeless tobacco sales decreased from 122 million pounds in 2021 to 113.3 million pounds in 2022. The revenue from those sales rose from $4.96 billion in 2021 to $4.98 billion in 2022. Menthol flavored smokeless tobacco products comprised more than half of all sales and fruit flavored smokeless tobacco products comprised 2.6 percent of pounds sold.

Spending on advertising and promotion by the major manufacturers of smokeless tobacco products in the U.S. decreased from $575.5 million in 2021 to $572.7 million in 2022. The two largest spending categories in 2022 were price discounts paid to retailers, which were $360.5 million, and promotional allowances paid to wholesalers, which were $44.7 million.

Smokeless tobacco manufacturers also reported selling $1.06 billion of nicotine lozenges, pucks and pouches not containing tobacco in 2022, more than double the $452.8 million sold in 2020.

Survey Sheds Light on Self-Checkout & Theft

A new survey from online lending market LendingTree found that 15 percent of respondents said they have purposely taken an item while supposedly scanning. Additionally, while 60 percent of respondents reported feeling remorse afterwards, 44 percent plan to steal items again when using self-checkout, reported Progressive Grocer, a sister publication of Convenience Store News.

This kind of theft issue is widely acknowledged as a problem, with 69 percent of consumers agreeing that self-checkout technology contributes to shoplifting.

The survey also found that of the 23 percent of self-checkout users who have seen someone steal from the machines, 45 percent did nothing about it.

- 31 percent of Generation Z shoppers have purposely taken an item without scanning it vs. 21 percent of millennials.
- 52 percent of men say they would take items without paying again vs. 33 percent of women.
- Half of those with children under 18 say they would steal in the future vs. 39 percent of respondents who are not parents.

Food inflation and lack of food access have contributed to theft at the point-of-sale, but there is a portion of the buying public who steal for the sake of stealing, the survey found.

EPA Settles Underground Storage Tank Violations with Wawa, AT&T and Others

EPA on Monday said fuel retailer Wawa Inc., telecommunications giant AT&T Inc. and five smaller firms have agreed to pay fines related to alleged violations of federal rules governing the operation and maintenance of underground petroleum storage tanks.

Under four separate enforcement agreements, the companies also promised to review their compliance programs to make sure they adhere to the agency's regulations.

EPA said improperly operated or maintained USTs can leak petroleum and other hazardous substances, threatening soil and water quality. EPA said in a news release that Wawa settled with the agency for violating federal regulations on USTs containing gasoline or diesel fuel.

The agency said that based on inspections in February and March 2022, it "determined the company had failed to meet operator training, record keeping, and leak detection requirements for USTs."

Wawa, which operates more than 1,000 retail fuel and convenience stores along the East Coast, agreed to pay a civil penalty of $26,500 and "certify its compliance with UST regulations at its facilities," EPA said.

In addition, EPA said AT&T Transoceanic Comm. LLC, which owns and operates UST for emergency power generators at 28 facilities in New York, New Jersey and the U.S. Virgin Islands, "violated federal rules on spill prevention, inspections, and operator training at three of its facilities in the U.S. Virgin Islands, which EPA inspected in 2022." AT&T agreed to pay a $40,000 penalty and conduct a comprehensive audit of its compliance with all UST rules at its New York and New Jersey facilities. The agency said.

EPA also announced similar settlements with five other companies, which operate 24 gas stations in New York and New Jersey, for violating federal regulations on USTs containing gasoline or diesel. Those fines totaled $225,000.

According to EPA, about 542,000 underground storage tanks nationwide store petroleum or hazardous substances. While the agency said the greatest potential threat from a leaking UST is contamination of groundwater, a source of drinking water for nearly half of all Americans, leaks also increase the risk of fire and explosions.

Until the mid-1980s, most USTs were made of bare steel, which is likely to corrode over time and allow UST contents to leak into the environment, the agency said. Faulty installation or inadequate operating and maintenance procedures also can cause USTs to leak, it said.

--Reporting by Frank Tang

Your Inspection License May be Worth Money

Depending on where you are located, it may be possible to sell your license. Before merely turning it in, contact the association for further information.

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, (585) 924-4423, (607) 723-1849 or (716) 656-1035

NEW YORK'S MINIMUM WAGE

Overview

All New York workers are entitled to receive at least an hourly Minimum Wage rate. This includes fast food workers, nail salon workers, tipped workers, and more.

Minimum Wage Rate Schedule				
Location	**Minimum Wage as of 12/31/2021*, *** **	**Minimum Wage as of 12/31/2022*, *** **	**Tipped Service Employees** **	**Tipped Food Service Workers** **
New York City	$15.00	$15.00	$12.50 Cash Wage $2.50 Tip Credit	$10.00 Cash Wage $5.00 Tip Credit
Long Island & Westchester	$15.00	$15.00	$12.50 Cash Wage $2.50 Tip Credit	$10.00 Cash Wage $5.00 Tip Credit
Remainder of New York State	$13.20*	$14.20*	As of 12/31/2021 $11.00 Cash Wage $2.20 Tip Credit As of 12/31/2022 $11.85 Cash Wage $2.35 Tip Credit	As of 12/31/2021 $8.80 Cash Wage $4.40 Tip Credit As of 12/31/2022 $9.45 Cash Wage $4.75 Tip Credit

**Only hospitality employers are allowed to take credit from minimum wage.

***For additional information about the minimum wage for home care aides, please see the Home Care Aide Minimum Wage fact sheet (P105).

The state minimum wage is scheduled to increase on January 1, 2024 to $16.00 per hour for New York City and the counties of Nassau, Suffolk and Westchester, and to $15.00 per hour for the rest of the state. In addition to this increase, recent amendments to the Labor Law provide further increases by $0.50 per year on January 1, 2025 and January 1, 2026. As required by Labor Law § 652(2), the Commissioner filed proposed regulations to amend existing wage orders. The proposed regulations are currently available and will be published in the State Register on October 4, 2023. Public comment on the proposed regulations will be accepted for a 60-day period until December 4, 2023. To submit a comment, please send an email to regulations@labor.ny.gov.

See the History of the Minimum Wage in New York State web page for minimum wage rates in previous years.

SSDA-AT Works to Prevent a Regulatory Trainwreck

With about a month to go before the Corporate Transparency Act's reporting requirements take effect, it's abundantly clear – not to mention extremely worrying – that federal regulators simply do not have their act together when it comes to implementing the new law.

Recognizing this, SSDA-AT as part of the Main Street business community called on lawmakers to delay the Corporate Transparency Act's reporting requirements by one year, which would give the Treasury Department's Financial Crimes Enforcement Network (FinCEN) enough time to finish its work on the regulatory and education fronts.

The letter points out two key items of unfinished business:

Of the three primary rules necessary to implement the new law, only one has been completed, the second is still at the "proposed" stage and needs to be finalized, while the third has yet to be released even as a proposed rule. FinCEN's leadership has assured Congress they are ready to go starting next year but that is clearly not the case.

Meanwhile, FinCEN is woefully behind when it comes to educating stakeholders of their new obligations. A National Federation of Independent Business survey found that 90 percent of respondents were entirely unfamiliar with the reporting requirements. The CTA includes civil and criminal penalties of up to $10,000 and two years of jail time for failing to comply, so this lack of awareness is alarming and needs to be addressed before the law is implemented.

Starting next year nearly every small business in America will be required to report – and continuously update – a litany of personal information regarding their beneficial owners. The scope of the mandatory reporting is well beyond anything we've seen outside of the Tax Code, yet FinCEN doesn't have all the rules in place to govern how this sensitive information will be used.

To add insult to injury, the AICPA recently pointed out that FinCEN has significantly underestimated the cost burdens associated with the new reporting regime, it has relied on vague and arbitrary standards in laying out the criminal and civil penalties under the statute, and it has implemented filing deadlines for newly-formed entities which, in some cases, are impossible to meet.

We've seen Treasury delay a major reporting regime before. Just last year, the IRS was unprepared to implement the lower 1099-K reporting thresholds and announced a one-year pause. FinCEN faces a nearly identical scenario with the CTA yet appears determined to plow forward regardless.

SSDA's preferred approach to the CTA is to repeal it altogether and we continue to support the NSBA's constitutional challenge which would put this harmful law to rest. But with an effective date fast approaching, Congress and federal regulators need to accept that the CTA is just not ready for prime time.

NYVIP MESSAGE No. 294

DATE: **November 21st, 2023**

TO: **NYVIP3 INSPECTION UNITS**

FROM: **NYS DEPT. OF MOTOR VEHICLES**

SUBJECT: **NYVIP2 EQUIPMENT DISPOSAL INFORMATION**

*****PLEASE BRING THIS MESSAGE TO THE ATTENTION OF STATION OWNER AND/OR MANAGER*****

NYVIP2 Equipment Disposal. The equipment belongs to you and can be disposed of (recycled) or reused elsewhere as you like. However, other than the storage cabinet, NYVIP2 equipment CANNOT be used in connection with the NYVIP3 program. The current (CVIS) NYVIP2 electronic components contain hazardous elements and compounds, including lead, mercury, and cadmium, which can be toxic if released into the environment. Electronic waste CANNOT be thrown out in your garbage. Electronic waste is often hazardous waste. When it is properly recycled, most electronic waste is exempt from hazardous waste regulation. Regulations for handling of electronic waste are available from your local government and can be found at: http://www.dec.ny.gov/chemical/8788.html.

REPAIR ACT INTRODUCED

The amount of data collected by modern vehicle on-board systems is staggering. But who owns that data; the vehicle owner or the manufacturer? When it comes to vehicle repair the fight to secure data access for vehicle owners and their chosen independent repair facilities continues. Neal Dunn (R-FL-02), Brendan Boyle (D-PA-02), Warren Davidson (R-OH-08), and Marie Gluesenkamp Perez (D-WA-03) introduced the "Right to Equitable and Professional Auto Industry Repair (REPAIR) Act" in the House of Representatives this year. The bill is aimed at giving small independent repair shops the same kind of data access that licensed vehicle dealerships already receive.

"Americans should not be forced to bring their cars to more costly and inconvenient dealerships for repairs when independent auto repair shops are often cheaper and far more accessible," said Rep. Rush. "But as cars become more advanced, manufacturers are getting sole access to important vehicle data while independent repair shops are increasingly locked out. The status quo for auto repair is not tenable, and it is getting worse. If the monopoly on vehicle repair data continues, it would affect nearly 860,000 blue-collar workers and 274,000 service facilities."

"The lack of meaningful consumer choice in the repair market harms low-income Americans and those in underserved communities most," Rush continued. "A single mother who relies on her vehicle to go to work and get her kids to school can't afford to wait days or weeks to have her car repaired at a dealership that is hours away and more expensive than the auto shop around the corner. The REPAIR Act is common sense, necessary legislation that will end manufacturers' monopoly on vehicle repair and maintenance and allow Americans the freedom to choose where to repair their vehicles."

WHAT YOU CAN DO

So, what can you do as a vehicle owner to help the "Right to Repair" movement? Demand that the lawmakers that represent you also represent the need for fair and equitable access to all parts of the vehicle care equation. The Auto Care Association makes it easy to contact your Senator and Congressperson via their website

https://www.repairact.com

and let them know your concerns. The form will ask for your address and automatically identify your representatives while also drafting a letter to them. It's just that easy.

Please show your support for Right to Repair by using this webpage to send a letter to your federal lawmakers. It will take 30 seconds.