SSDA
SERVICE STATION DEALERS OF AMERICA AND ALLIED TRADES

# SSDA News

*Service Station Dealers of America and Allied Trades*

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## INSIDE THIS ISSUE:



# Bipartisan Agreement Reached on Infrastructure Framework

By Roy Littlefield

On June 24, the White House and a group of bipartisan Senators reached an agreement on a $1.2 trillion infrastructure framework.

Overview of Investment Above Baseline:

$312 billion for Transportation

$109 billion roads, bridges, major projects

$11 billion safety

$49 billion public transit

$66 billion passenger and freight rail

$7.5 billion EV infrastructure

$7.5 billion EV buses/transit

$1 billion reconnecting communities

$25 billion airports

$16 billion ports and waterways

$20 billion infrastructure financing

$266 billion Other Infrastructure

$55 billion water infrastructure

$65 billion broadband infrastructure

$21 billion environmental remediation

$73 billion power infrastructure incl. grid authority

$5 billion Western water storage

$47 billion resilience

*New spending + baseline (over 5 years) = $973B

*New spending + baseline (over 8 years) = $1,209B

Proposed Financing Sources for New Investment

Reduce the IRS tax gap

Unemployment insurance program integrity

Redirect unused unemployment insurance relief funds

Repurpose unused relief funds from 2020 emergency relief legislation

State and local investment in broadband infrastructure

Allow states to sell or purchase unused toll credits for infrastructure

Extend expiring customs user fees

Reinstate Superfund fees for chemicals

5G spectrum auction proceeds

Extend mandatory sequester

Strategic petroleum reserve sale

Public-private partnerships, private activity bonds, direct pay bonds and asset recycling for infrastructure investment

Macroeconomic impact of infrastructure investment

The framework is an outline now and legislative text will need to be drafted (and very possibly combined into a single package with reauthorization legislation). Additionally, with razor thin margins in the Senate and House this will still be a very hard path forward. Speaker Pelosi (D-CA) stated that they will not take up the bipartisan framework until the Senate moves forward with reconciliation on a bigger package encompassing everything missing from the bipartisan package.  Nonetheless, this is a very important step forward on a bipartisan transportation reauthorization bill with the deadline fast approaching to reauthorize the surface transportation program by September 30th.  The surface transportation reauthorization and water infrastructure bill were just combined to cover a $715 billion investment in roads, bridges, transit, rail, and wastewater and drinking water infrastructure.

SSDA-AT  will continue to provide updates to its members as the process moves forward.

## The Online Edge – What Your Business Needs to Thrive

Does your business have an online presence? If so, are you doing all you can to ensure its virtual success? If not, what are you waiting for? Let's take a sneak peek at some statistical findings from the Pew Research Center. According to their most recent studies on the use of internet and technology it was found that:

Roughly three-quarters of Americans, or 77%, now own a smartphone, which nearly doubles the former findings since the Center began its research in 2011.

As of November 2016, nearly three-quarters, or 73% of Americans indicate that they have broadband service at home.

Nearly seven-in-ten Americans now use social media. When the Center started tracking social media adoption in 2005, just 5% of Americans said they used these platforms. Today, 69% of U.S. adults are social media users.

Half the public now owns a tablet computer. When the Center first began tracking tablet ownership in 2010, just 3% of Americans owned a tablet of some kind.

As you can see, now more than ever before, an online presence for your business is significant. And not just any online presence, but a quality one that provides a sense of credibility and legitimacy, turning its visitors into leads and sales, and contributing to the success of your business.

First impressions matter. If your business has a website, rest assured that internet users are navigating to it to formulate their opinion, to see what other people have to say about you, and to "screen" shop your services and products, which is much like window shopping, but with the ease of never having to actually visit your business's location.

Your business can now be accessible to the masses thanks to technology. Therefore, it's vital to have a way for potential clients to find you with the swipe of their fingertip and also to ensure you have a website that makes a good impression.

So, how do you go about trying to meet your customers' needs online?

Let's Talk Internet Marketing Best Practices

There are several factors that play into the creation of a well-made website that will help your business's online presence generate traffic and rank effectively:

Design & Layout

Visual presentation plays an important role in the functionality of a website. A high-performing website will provide a positive user experience. It helps to have a responsive web design. What makes a website responsive? Responsive design helps to generate leads and sales without any limitations based on user devices. So, customers can find your automotive service site on their tablet, smartphone, smart watch, etc., viewing your website efficiently from any screen size.

Content

Content is the reason why visitors come to a site. They are seeking information about your business and its services. The key is to provide relevant content that is easy for visi-

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# NET DRIVEN

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tors to digest. Too much or too little and your visitors might go elsewhere to find what they're looking for. Check out what Moz has to say about content regarding search engine ranking. By providing unique content that moves beyond self- promotion and is easily digestible to the user, your website offers valuable information.

Calls to Action

Calls to action within a site's content and design come in the form of clickable links or custom buttons. It entices a visitor to take action beyond the page they are on, an action like submitting a form, requesting a quote, purchasing a product, or even just clicking a link that leads to another page with relevant information. Through a CTA, a user moves to take a specific action that will benefit your business. And action is what it's all about.

Credibility

A business with an online footprint is a business that can be found, recognized, and confided in. From building a solid and consistent brand across all channels, to maintaining an active social media presence, gaining positive reviews, managing your online reputation with products like Net Driven's Reputation Management.

Mobile Viewability

More and more people are looking at your site from a mobile phone or web enabled device. It seems like anything with a screen and a microchip in it is capable of getting on the internet these days. Make sure your site is viewable on a mobile internet enabled device.

Search Engine Optimization

At Net Driven, we drive the traffic that drives your business! It begins with a website that keeps local search in mind. A strong SEO foundation puts proven strategies to work and improves your ability to get found.

From understanding searcher behavior to using tested best practices, the SEO team at Net Driven works hard to ensure that your site has all of the key ingredients for SEO success. Look to us for:

Keyword research performed for your business and target geographic

Optimized meta tags for click through success

Relevant industry content

Local directory management

SEO-friendly site architecture

and more!

Don't have a website yet? What are you waiting for?! Talk to a representative from Net Driven today and ask about how we can help you create a website that not only generates traffic, but turns your traffic into leads and sales! Net Driven should be your choice for all your automotive internet marketing needs. Contact us today!

Sources:

http://www.pewresearch.org/fact-tank/2017/01/12/evolution-of-technology/

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## In 2020, Natural Gas Exports and Natural Gas for Electricity Reached Record Highs

In 2020, both natural gas consumption by the U.S. electric power sector and natural gas exports reached record highs, despite a 2% annual decline in domestic dry natural gas production. Dry natural gas production doesn't include natural gas plant liquids (NGPL), such as ethane and propane. In 2020, NGPL production grew to a record-high 2.7 trillion cubic feet (Tcf), up 7% from 2019. Our U.S. natural gas flow diagram shows the volume of U.S. natural gas supply (production, imports, and withdrawals from storage) and disposition (consumption, exports, and additions to storage) in 2020.

## EIA Lifts 2021 US Oil Production Forecast

The Energy Information Administration expects US oil production to decline by 230,000 barrels per day this year to 11.08 million bpd, a smaller drop than previously forecast, and average 11.8 million bpd in 2022. Natural gas production is seen climbing to 9.38 billion cubic feet per day in 2021 and 9.22 Bcfd in 2022, while liquefied natural gas exports are projected to hit a record 6.53 Bcfd this year.

## SSDA-AT Supports the RPM Act


The Recognizing the Protection of Motorsports Act (RPM Act) has been reintroduced in the U.S. House of Representatives in the 2021-2022 session of Congress!

The RPM Act's new bill number is H.R. 3281. There are 47 original cosponsors (32-R) (15-D).

SSDA-AT strongly supports the legislation.

The RPM Act must be enacted into law to guarantee your right to modify street cars, trucks, and motorcycles into dedicated race vehicles, and ensure that industry can offer parts that enable racers to compete.

Now is not the time to take our feet off the gas.

Even if you've previously contacted your lawmakers about the RPM Act, we need your voice once again now that the bill has officially returned for consideration in 2021!

Tell your U.S. Representative to do their part to finally save racing from government threat by supporting and passing the RPM Act into law this year.

# 8 Ways To Be A Leader That Employees Want To Follow

Being a leader doesn't mean bossing people around. As a leader, you're responsible for motivating, educating, and making sure your employees add value to your organization. This requires you to connect with your team, to create an environment that encourages creativity, to understand your own strengths and weaknesses as well as your teams, and accept feedback about your performance as a leader.

Have you ever noticed that some people are horrible bosses, and others seem to rally the team flawlessly with endless creativity?

Working towards developing necessary leadership qualities will require you to pay attention to many things, care about team members, and find ways to inspire and motivate them.

Here are 8 measures that you can begin implementing that will help you to become a leader that people want to follow,

1. Open communication

You'll need to be approachable. If you're constantly barking orders and not listening to your employees you're not going to have good communications. You want your team members to be encouraged, feel safe to give you feedback, and know they are being heard and respected. Communication is the key to a team that can work together, especially through challenges.

2. Encourage personal and professional growth

Investing in the success and growth of your employees is part of being an effective leader. This could be empowering them towards the interactive media arts degree or giving them opportunities that challenge them to grow. When you believe in your employees and express this not only with words that motivate and inspire them but with actions, you'll be amazed at how they respond.

3. Don't be afraid to try new things

Don't be scared to fail. Giving them a safe place will encourage your team members to play an active role in planning and coming up with ideas without fear. When failure isn't looked at as something bad, it will improve productivity, creativity, commitment, and problem-solving.

4. Always keep a positive attitude

One bad apple will spoil the entire batch. Things happen, situations, and obstacles arise, but you'll keep your team members encouraged and inspired to face these challenges with hope if you have an optimistic attitude. Flying off the handle and tossing blame around will create a hostile

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## 8 Ways To Be A Leader That Employees Want To Follow

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environment that kills creativity and workflow.

5. Set clear employee goals and expectations

Set clear goals and provide them with your expectations. Be sure that you explain the importance of the project and how it's going to impact the organization. Knowing this gives them motivation and excitement about being included in something that will make a difference.

6. Give praise and recognition

We all want to feel appreciated for our hard work and contributions. And by offering recognition and praise to the individual accomplishments of your team members or team as a whole, you'll find that they perform better.

7. Delegation is essential

We all have our strengths and weaknesses, and knowing your team is a huge part of properly delegating tasks and trusting them with a particular task that you believe they are best suited to handle empowers them. It also helps to build trust.

8. Be passionate

Energy is contagious and one of the best motivators, and if you're passionate about what you do, it creates a stress-free work environment. When you speak with passion and excitement, it's difficult for others not to be excited as well. This is how you build momentum, engage your team and make even the impossible seem obtainable. Your passion will unite the group, push the boundaries, and they'll be inspired to crush every single goal you set in front of them.

Just because some people are natural born leaders with a gift of understanding, compassion, and lack the fear of failure that comes easily doesn't mean that you cannot be a great leader. But maybe they just make it look natural.

Most people have to develop these traits and learn how to be great leaders. Many learn from personal experiences, listening to endless podcasts, reading book after book, and going to seminars.

It takes time to develop strong leadership skills. Give yourself the grace to make mistakes, always be honest with your team and ask for feedback without response. Before you know it, you'll have an impressive track record.

## The Best Time to Innovate is in the Aftermath of a Crisis, Opinion, Jeff Phillips


I've spoken recently with a number of people employed by companies, large and small, and to a number of consultants. The list of challenges most businesses face in the aftermath of COVID is rather significant. Many businesses are finding it difficult to find the workers they need, and those that do have the workers are struggling with remote or in person work issues. In the middle of 2021, it seems that inflation is almost inevitable, meaning that prices on a number of goods and services will increase. This expected surge in costs will force changes to existing plans.

Supply chains are clogged, unable to rapidly restart as the economy improves, causing shortages and disrupting normally smooth operations and just in time systems.

With all of these (and many more challenges) you can imagine that management teams are planning to maintain the status quo. With so many unknowns and uncertainties, they are unlikely to try to unleash any really risky or uncertain projects, and innovation projects almost always qualify as uncertain and risky.

Yet, as we've seen before, the period of change and growth during the recovery from a crisis is almost always a fertile opportunity for innovation. You've seen the stories about the birth of Uber and Airbnb coming out of the last recession. There are game changing opportunities right now, in the midst of 2021, and companies of all sizes and in all industries should be poised to innovate to take advantage of the opportunity. But too many will see too many problems, uncertainties and barriers.

Why now?

There are several reasons for doing innovation now.

First, everyone is fighting the same issues - people don't want to return to the office, or materials are difficult to obtain. You can innovate by solving these challenges in new ways, or through rethinking your processes or business models. Rather than try to fix an old or outdated model or process, rethink and re-engineer what is causing your biggest challenges. Don't let the excuse that there are issues or roadblocks stop you from innovating. Everyone faces the same challenges. Those that find interesting or creative solutions will win.

Second, the core business can operate on its own. If you have a medium or large size business and the core of the business needs constant management attention, you are do-

## The Best Time to Innovate is in the Aftermath of a Crisis, Opinion, Jeff Phillips

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ing something wrong. Many businesses should be able to operate without constant oversight and should be able to do more than one thing at a time. I would suggest that many management teams should push more responsibility down the hierarchy and devote more time to thinking about what's new and what's next. Now is a great time to do that.

Third, your customers and consumers are interested in doing new things, getting new experiences, trying new products after the COVID crisis. This is not to say that "everything" will change, because it won't. But, some things will change, and new needs and wants are emerging and will continue to emerge. The sooner you can define what those wants and needs are, and serve them in a new and interesting way, the better for your future growth.

Fourth, we are still in a COVID year, and the financials and returns will be a bit squirrelly anyway. Good managers know to bury as much cost in what is accepted as a bad year, to show better outcomes in a future year.

Since 2021 is still a recovery year, spending some capital and resources on new and untried activities won't stand out so prominently like it might in an otherwise "normal" year.

If your financial team is concerned about the spending, remind them that plenty of unusual spending has occurred in most organizations during the pandemic, and some of that spending will be attributed to the needs of the organization in uncertain times.

Finally, there's no better time to implement change. Everyone, shareholders, employees, and management, recognize we've been through change and even now we are still in a relatively unsettled state.

Will we all go back to offices? Will work be performed in the same way? What new technologies or digital transformation will change how we do things? Will automation take the jobs that aren't getting filled? While we are in an unsettled state, while corporate inertia isn't quite so powerful, this is the time to do something really interesting.

The Next Big Thing

The next big innovation will emerge from this crisis. I don't know what it will be or what form it will take. In the last crisis, we saw a shift from product ownership to "as a service" models.

I cannot accurately predict what the outcomes will be from this crisis, but there will be significant new innovations that emerge, and those seeds are being conceived and planted now.

As Rahm Emmanuel, Obama's chief of staff was fond of saying - never let a good crisis go to waste.

For companies of all sizes, in all industries, now is an excellent time to innovate. If you aren't familiar with his quote, you've heard the sentiment before. What's more telling is the second part of the quote: "...there is an opportunity to do things you think you could not do before".

# Exxon Prepares to Cull U.S. White-Collar Ranks By As Much As 10%

Exxon Mobil Corp. is preparing to reduce headcount at its U.S. offices by between 5 per cent and 10 per cent annually for the next three to five years by using its performance-evaluation system to suss out low performers, according to people familiar with the matter.

The cuts will target the lowest-rated employees relative to peers, and for that reason will not be characterized as layoffs, the people said, asking not to be identified because the information isn't public. While such workers are typically put on a so-called performance improvement plan, many are expected to eventually leave on their own. This year's evaluation is happening now but affected employees have not yet been notified, the people said.

"Our annual performance assessment process has been occurring over the last several months," Exxon spokesman Casey Norton said in an email. "Where employees are not contributing to their highest ability, they may need to participate in an improvement plan. This is an annual process which has been in place for many years, and it is meant to improve performance. This process is unrelated to workforce reduction plans."

The plan is separate from Exxon's announcement last year that it will cut 14,000 jobs worldwide by 2022, and it would extend reductions well beyond that original time frame. It's a tumultuous time for Exxon, which is still grappling with the fallout from last month's annual meeting, when shareholders rebuffed top management and replaced a quarter of the company's board over climate and financial concerns.

Exxon had 72,000 employees globally at the end of last year, of which 40 per cent worked in the U.S., according to a company filing.

WHITE-COLLAR JOBS

Several high-profile traders have also left in the last few weeks. While the performance-review process mostly applies to white-collar jobs such in areas such as engineering, finance and project management, there's no suggestion the trading departures were related to the review program.

Exxon's other cost-cutting initiatives have included suspending bonuses and halting employee-contribution matches to 401k savings plans as the pandemic crushed demand for crude, saddling the company with a record annual loss.

International crude prices have surged 44 per cent this year to almost US$75 a barrel, improving Exxon's financial position markedly. Still, the supermajor has some way to go to pay down debts accumulated during 2020's market collapse. A smaller and more efficient workforce is key to further improvements.

Exxon achieved US$3 billion of annual "structural cost reductions" in 2020 and will continue to make savings through 2023, Chief Executive Officer Darren Woods said at the annual meeting in May.


"We've got additional work to continue to take advantage of the new organization and find opportunities to reduce our costs," Woods said.

Exxon's shares rose 3.6 per cent to US$62.59 at the close in New York trading Monday amid a broad rally in energy stocks on stronger oil prices.

# Analysis: Market for U.S. Oil Acreage Booms Along with Crude Price Recovery, Reuters

A recovery in the price of oil to more than two-year highs is offering a long-awaited opening to companies and private equity firms to shed unloved assets in the U.S. oil patch.

Sales of land parcels worth $6.9 billion have been announced in the first five months of 2021, almost eclipsing the $7 billion recorded in all of 2020, according to data vendor Enverus. Last year was the worst for U.S. acreage sales since at least 2006, after energy prices plunged due to coronavirus-related demand destruction.

More deals are on the way. Land worth more than $12 billion is either up for sale or being prepared to come to market in the United States, according to more than a dozen investment bankers and industry sources interviewed by Reuters.

A 43% rise in U.S. crude prices this year to their highest since October 2018 has made unloved acreage desirable enough for a small group of buyout firms, as well as some publicly listed energy companies with money to spend.

Those seeking to sell are oil and gas exploration and production companies seeking to pay down debt and redeploy capital for new drilling, and buyout firms that are often nursing losses on bets that went sour.

The sale of these properties could lead to their development, often following years of underinvestment, boosting U.S. energy production to meet growing demand, as the world economy recovers from the COVID-19 pandemic.

In one such example, Occidental Petroleum Corp (OXY.N) is marketing 25,000 net acres (101 square kilometers) in the Delaware portion of the Permian Basin, likely fetching upwards of $550 million, two sources said. The company has targeted raising more than $2 billion from divestments in the first half of 2021.

Ovintiv Inc (OVV.N) completed in mid-May the $880 million sale of its Eagle Ford position in south Texas to Validus Energy, and subsequently said it would repay debt worth $1.1 billion. read more

Laredo Petroleum Inc (LPI.N) agreed last month to sell a 37.5% stake in the hydrocarbons extracted from land in two Texas counties to alternative capital provider Sixth Street Partners. It plans to redeploy the proceeds to partly fund the $715 million acquisition of private equity-backed producer Sabalo Energy, whose adjacent acreage will give it scale in drilling.

"The market is robust, especially when compared with this time a year ago. We are putting some money to work, but we are also seeing opportunities to exit, " said Jason DeLorenzo, managing partner at buyout firm EnCap Investments.

Exxon Mobil Corp (XOM.N) has said it may divest parts of its shale gas business in North America. Sources said the company has intimated to potential buyers this could start shortly.

Publicly listed companies currently pursuing acreage sales include Occidental, Chevron Corp (CVX.N) and Whiting Petroleum Corp (WLL.N), according to marketing documents seen by Reuters, as well as ConocoPhillips (COP.N) and Callon Petroleum Co (CPE.N), according to sources. read more

Callon declined comment. Chevron, Whiting and ConocoPhillips did not respond to comment requests.

The deal making upturn is also a boon for private equity firms. Many of them bought land in the mid-2010s to exploit it just enough to prove its production viability and sell it at a profit. They were left nursing losses after a late-2018 drop in energy prices scared off potential buyers.

Delaware Basin producer Advance Energy Partners, majority owned by EnCap, is exploring a sale that could value it at around $2 billion, people familiar with the matter said.

Private equity firm Warburg Pincus asked for indicative acquisition offers for North Dakota producer RimRock Oil and Gas in recent weeks, a deal that could exceed $500 million, according to sources.

# SSDA-AT Supports the DRIVE Safe Act

As a testament to the severity of the national truck driver shortage and its far-reaching impacts throughout the supply chain, more than 120 organizations including SSDA-AT have endorsed the DRIVE Safe Act as a way to address the growing shortage and promote opportunity and enhanced safety training for emerging members of the transportation workforce.

The Developing Responsible Individuals for a Vibrant Economy (DRIVE) Safe Act would establish an apprenticeship program to train 18- to 20-year-old qualified drivers who satisfy common-sense safety, training, and technology requirements to operate in interstate commerce. The bill would remove the single biggest barrier preventing entry into the truck driving profession and equip young people with skills for jobs whose median pay is $54,585, plus health and retirement benefits.

BACKGROUND: Previously introduced in both the 115th and 116th Congresses with strong bipartisan support, the DRIVE Safe Act would enable 18- to 20-year-old apprentices—who have obtained their commercial driver's licenses (CDL) to drive trucks in intrastate commerce—to drive trucks safely in interstate commerce. The bill would amend the current minimum age requirement for interstate drivers, which was promulgated decades ago, to allow these qualified drivers to operate in interstate commerce once they have completed the following apprenticeship program requirements:

1) Satisfy a minimum of 400 hours of training and 11 performance benchmarks;

2) Complete those hours of training under the supervision of an experienced professional driver; and

3) Train in trucks equipped with industry-leading safety technologies, such as Automatic Emergency Braking (AEB), event recorders/cameras, speed-limiters, and automatic transmissions.

Currently, forty-nine states and the District of Columbia allow individuals to obtain a CDL to operate commercial motor vehicles in intrastate commerce before they turn 21. However, federal regulations prohibit those same drivers from crossing state lines until they turn 21. Given that forty-nine states and the District of Columbia have already determined that these drivers do not inherently pose a safety risk to other motorists, it is consistent for these same 18- to 20-year-olds to be allowed to drive across state lines. The DRIVE Safe Act would allow certified CDL holders already permitted to carry intrastate goods the opportunity to participate in a rigorous apprenticeship program designed to help them master interstate driving, while also promoting enhanced safety training for emerging members of the workforce.

IMPACT: The trucking industry is currently facing a shortage of more than 60,000 qualified drivers, coupled with a projected need to hire 1.1 million new drivers over the next decade to keep up with increasing freight demand and workforce retirements. Younger drivers in particular are needed; the median age of an over-the-road truck driver is 49—seven years older than the average U.S. worker. However, careers in trucking are out of reach for many otherwise-qualified 18- to 20-year-olds because the minimum age requirement represents an insurmountable barrier to entry. If motor carriers could reach this pool of potential truck driver candidates earlier in their careers, the trucking industry would be in a better position to help candidates develop the skills, habits, and attitudes necessary for a long and satisfying career in the trucking industry.

As a result of the already-crippling driver shortage, companies in supply chains across the nation are facing higher transportation costs, leading to increased prices for consumers on everything from electronics to food. The DRIVE Safe Act will help to move our nation's freight and meet increasing demand while preserving and enhancing the safety of our highway system. It will help fill desperately-needed jobs and provide younger Americans with the opportunity to enter a profession with a median salary of $54,585, plus health and retirement benefits. And it will bolster and support our nation's supply chain, which is an issue of heightened urgency as our nation recovers from the COVID-19 pandemic.

SOLUTION: The 120+ members of the DRIVE Safe Coalition (Including SSDA) urge co-sponsorship of the DRIVE Safe Act and support for the legislation's inclusion in a surface transportation reauthorization package.

# WOTC Bills Under Consideration

W.O.T.C
WORK OPPORTUNITY TAX CREDIT

Several bills that impact WOTC have now emerged in the 117th Congress.

Most of these bills won't be enacted singly, but now that WOTC is safe for five years, we're working to ensure enactment of a considerable list of desirable improvements that SSDA-AT has recommended in the past.

The most effective approach to the chairmen of the tax-writing committees is for our congressional supporters to consolidate and lay our proposals before the full committee in a bill and/or testimony. At the same time, many congressional supporters have their own priorities for WOTC, and some have already proposed bills which, if enacted, would enhance WOTC significantly.

What follows is a description of some of the most significant bills that deserve our attention and support.

If you are pleased, thank congressional sponsors for their hard work shaping legislation to expand and enhance WOTC. If you see provisions you cannot support, or are problematic, let us know so we can act to resolve the issue.

The bills below don't reflect SSDA's full list of desired improvements to the WOTC program. In a future report, we'll discuss where we stand with those proposals.

We can interject here, regarding an important goal of the past four years, that the President's Budget calls for replacement of the BEAT tax (Base Erosion and Anti-Abuse Tax) that unfairly taxes some of the largest WOTC employers. Senate Finance Committee Chairman Wyden had already decided on a means to remedy the injustice of BEAT, but the President's approach would replace it entirely. The administration's approach is detailed in the Green Book accompanying the budget, and we'll soon learn Senator Wyden's reaction.

Here are the WOTC bills you should know about:

S. 269, WOTC and Jobs Act, Senator Rob Portman (R-OH)

This bill would make WOTC a permanent part of the tax code. Our friend, Senator Portman, has introduced this measure in every Congress.

S. 1560, A bill to amend the Internal Revenue Code of 1986 to modify WOTC for certain youth employees, Senator Richard Durbin (D-IL)

There is no "at-risk youth" target group in WOTC, and this important bill sets a "disconnected youth" target group for ages 16-25, doubles the maximum wage for summer youth ages 16-17, expands the summer youth program to include year-round employment, and requires youth, who are in school, to work no more than 20 hours a week. An identical bill has been introduced in the House by Congresswoman Robin Kelly (D-IL).

S. 784, Jobs for Economic Recovery Act, Senator Ron Wyden (D-OR)

Senator Wyden, chairman of the Senate Finance Committee, introduced this measure to grant a second-year credit, at 40 percent of a maximum $6,000 qualified wages, for any employee who worked the prior year in a job subsidized by the government. The bill also directs the GAO to evaluate the effectiveness of the coronavirus Employee Retention Credit. An identical bill was introduced in the House by Congressman Danny Davis (D-IL), a subcommittee chairman of Ways and Means.

H.R. 3449, To amend the Internal Revenue Code of 1986 to make certain adjustments to WOTC to modernize the credit and make it a more effective hiring incentive, Congressman Tom Suozzi (D-NY)

Congressman Suozzi, a Ways and Means Committee member has introduced a vehicle for improvements we are supporting. The text of the bill is not yet final.

S. 630, Disability Employment Incentive Act, Senator Bob Casey (D-PA)

Senator Casey's bill extends WOTC eligibility to individuals receiving cash Social Security Disability Insurance (SSDI), increases the amount of the credit, provides a second-year credit, and extends these increased benefits not only to SSDI recipients, but also to SSI and Vocational Rehabilitation recipients.

S. 1532, A bill to provide a WOTC for military spouses and to provide for flexible spending arrangements for childcare services for uniformed services families, Senator Tim Kaine (D-VA).

With support of 27 major veterans organizations united in The Military Coalition, we are working with Senator Kaine and others to ensure enactment of this goal, for which there is a strong case, too long deferred. There are other bills in the works, but in the meantime, we welcome your feedback on the foregoing bills, which are works in progress.

# OSHA Issues COVID-19 Workplace Standard

The Occupational Safety and Health Administration (OSHA) has released an emergency temporary standard (ETS) that healthcare employers must follow. At the same time, OSHA concurrently issued updated, non-mandatory guidance for non-healthcare employers.

The ETS was published in the Federal Register on June 21, 2021. Employers must comply with most provisions by July 6, 2021, and with provisions involving physical barriers, ventilation, and training by July 21, 2021.

What Employers Are Covered by the New ETS?

The new ETS applies to all settings where any employee provides healthcare services (services provided by professional healthcare practitioners such as doctors, nurses, and EMTs, but excluding first aid) or healthcare support services (services that facilitate the provision of healthcare services), including most hospitals, nursing homes, and assisted living facilities.

What Requirements Does the New ETS Impose?

Employers covered by the new ETS must:

- Develop and implement a COVID-19 plan for each workplace. Employers must conduct a hazard assessment relating to COVID-19 and have a plan that addresses the hazards identified. Employers should designate one or more workplace safety coordinator(s) to develop this COVID-19 plan and monitor its effectiveness. If the employer has more than 10 employees, the plan must be written.
- Provide appropriate PPE, social distancing, and physical barriers. Employees must generally wear a facemask or respirator. Employers must also implement procedures for social distancing and install physical cleanable or disposable solid barriers in certain work areas.
- Provide paid leave for employee vaccination. Employers must also provide paid leave if employees experience side effects from vaccination.
- Screen employees. Employers must screen each employee before each shift and require each employee to promptly notify it if the employee is COVID-19 positive, is suspected to have COVID-19, or is experiencing the symptoms of COVID-19.
- Pay employees who are removed from the workplace. When an employer removes an employee for confirmed or suspected COVID-19, it must continue to pay employees. The ETS requires the continuation of benefits and regular pay, up to $1,400 per week and, for employers with fewer than 500 employees, a reduced amount of up to $200 per day starting in the third week of paid leave. Employers may set off these obligations through compensation employees receive through other sources such as state or local paid COVID-19 leave or employer-provided paid sick leave.
- Screen and manage visitors and patients. If employees provide direct patient care, the ETS requires patient screening and management, including limiting and monitoring points of entry to the workplace and screening all clients, patients, residents, delivery people, visitors, and other non-employees.
- Notify employees of COVID-19 cases. Employers must notify employees within 24 hours if a person who has been in the workplace (including employees, clients, patients, customers, visitors, and other non-employees) is COVID-19 positive.

The ETS also requires employers to establish a COVID-19 log of all employee instances of COVID-19 (whether occupational or otherwise), and report all COVID-19 fatalities and hospitalizations to OSHA.

What Guidance Exists for Non-Healthcare Industry Employers?

In addition to the ETS, which applies only in the healthcare industry, OSHA has also issued updated guidance to assist employers in other industries. OSHA permits employers to follow CDC guidance as it applies to vaccinated individuals; this explicitly includes allowing vaccinated workers to resume work without masks or physical distancing, if otherwise permitted by state and local law.

# AP: Oil Pipeline Disputes Raise Tensions Between U.S. and Canada

Months after President Joe Biden snubbed Canadian officials by canceling Keystone XL, an impending showdown over a second crude oil pipeline threatens to further strain ties between the two neighbors that were frayed during the Trump administration.

Michigan Gov. Gretchen Whitmer, a top Biden ally, ordered Canadian energy company Enbridge last fall to shut down its Line 5 — a key piece of a crude delivery network from Alberta's oil fields to refineries in the U.S. Midwest and eastern Canada.

Whitmer's demand pleased environmentalists and tribes who have long considered the pipeline, which reaches 645 miles (1,038 kilometers) across northern Wisconsin and Michigan, ripe for a spill that could devastate two Great Lakes. A section roughly 4 miles (6.4 kilometers) long crosses the bottom of Michigan's Straits of Mackinac, which connects Lake Michigan and Lake Huron. The area is a popular tourist destination, and several tribes have treaty-protected commercial fishing rights in the straits.

But with the governor's May 12 shutdown deadline approaching, Canadian officials are lining up behind Enbridge as it contests the order in U.S. court and says it won't comply. The Calgary-based company says Whitmer is overstepping her authority and that the 68-year-old pipeline is sound.

"Our government supports the continued safe operation of Enbridge's Line 5," Seamus O'Regan, Canada's minister of natural resources, told The Associated Press in an email. "It is a vital part of Canadian energy security, and I have been very clear that its continued operation is non-negotiable."

A Canadian House of Commons committee this month warned of dire consequences from a shutdown: job losses, fuel shortages and traffic nightmares as 23 million gallons (87 million liters) of petroleum liquids transported daily through Line 5 are shifted to trucks and rail cars considered more susceptible to accidents.

The panel urged Prime Minister Justin Trudeau and other Canadian officials to lobby their U.S. counterparts and said that without an agreement, Canada might invoke a 1977 treaty barring either nation from hampering oil and natural gas transmission. O'Regan's office said the matter had been raised at the "highest levels" of federal and state governments.

The dispute comes as both nations hope to reset their relationship after the presidency of Donald Trump, who put tariffs on Canadian steel and aluminum and had a turbulent relationship with Trudeau. Biden's first meeting with a foreign leader was a virtual session with Trudeau in February, where they pledged cooperation on climate change and other matters.

Biden's cancellation of Keystone XL, a 1,200-mile (1,931-kilometer) pipeline from Alberta's oil sands, remains a sore point in Canada. Although Trudeau objected to the move, Alberta officials are "extremely disappointed" he isn't taking stronger action, said Sonya Savage, energy minister in the province home to most of Canada's oil production.

Now comes Line 5, which few Americans outside the Great Lakes region may know about. But it's a priority for Canada, the world's fourth-largest producer and third-largest exporter of oil.

"The Canadians are likely to make this their big issue," said Christopher Sands, director of the Canada Institute at the Wilson Center, a global policy think tank in Washington, D.C. "This is one where I don't think (Trudeau) can afford to back down."

While the Keystone project was halted in early construction, Line 5 has transported Canadian oil since 1953. More than half of Ontario's supply passes through it, according to Enbridge. It exits Michigan at the border city of Sarnia, Ontario, and connects with another line that provides two

# AP: Oil Pipeline Disputes Raise Tensions Between U.S. and Canada

*Continued from page 15*

-thirds of crude used in Quebec for gasoline, home heating oil and other products.

"It's an energy lifeline for Canada," said Mike Fernandez, an Enbridge senior vice president.

Enbridge and its supporters in industry and labor say the pipeline also benefits the U.S. Midwest. It carries oil for jet fuel and gasoline, as well as natural gas liquids made into propane.

Critics say most economic benefits go to Canada, while Michigan risks a rupture that could foul hundreds of miles of waters.

"The Canadians are awfully silent about our shared responsibility to protect the Great Lakes, which hold 20% of the world's fresh surface water," said Liz Kirkwood, director of a Michigan group called For Love of Water.

Opposition to oil pipelines in the U.S. has hardened, with fights over Keystone, the controversial Dakota Access Pipeline and Enbridge's Line 3 in Minnesota drawing protesters.

Climate change hovers over the debate as Biden pursues emission reductions. He canceled Keystone on his first day in office. A week later, he temporarily suspended sales of oil and gas leases from federal lands. Environmentalists want a permanent ban, which could make the U.S. more dependent on Canadian crude whether it's delivered by pipeline or not.

"That's the conundrum any administration will find themselves in when their climate goals run headlong into the realities of providing essential energy," said Drue Pearce, deputy administrator of the federal pipeline safety agency under Trump and now with the Holland and Hart law firm.

No leaks have been reported from Line 5′s underwater pipes. But a National Wildlife Federation report in 2017 said federal documents showed more than two dozen spills from other sections exceeded 1 million gallons (3.8 million liters).

Enbridge has spent about $1 million on ads supporting the pipeline, while opponents have fought it with studies, protests and media events. But lawsuits the company and Michigan have filed against each other may decide the outcome.

Although the federal government regulates oil pipelines, Great Lakes bottomlands are under state jurisdiction. Michigan granted an easement in 1953 to place Line 5′s twin pipes beneath the Straits of Mackinac.

However, Whitmer revoked it Nov. 13, saying Enbridge had violated its safety requirements — including one that prohibits unsupported gaps beneath the pipes. There may be little Biden can do to satisfy Canada aside from quietly urging Whitmer to relent. That could be difficult given his ties to the governor, whom Biden considered for his running mate last year and appointed a vice-chairwoman of the Democratic National Committee. White House spokesperson Vedant Patel declined comment. U.S. pipeline safety falls under the Department of Transportation, whose Biden-appointed secretary, Pete Buttigieg, endorsed a Line 5 shutdown last year while seeking the Democratic presidential nomination. A spokesperson said in an email that the department wasn't involved in the legal fight between Michigan and Enbridge but will inspect Line 5 in coming months.

Whitmer's office did not respond to requests for comment. When announcing her shutdown order, she said Enbridge had "imposed on the people of Michigan an unacceptable risk of a catastrophic oil spill in the Great Lakes that could devastate our economy and way of life."

Enbridge reached a deal in 2018 with Michigan's previous governor, Republican Rick Snyder, to reroute the underwater segment of Line 5 through a new tunnel. years of construction.

1532 Pointer Ridge Place, Suite G
Bowie, Maryland 20716

Phone: 301-390-0900
Fax: 301-390-3161
E-mail: rlittlefield2@wmda.net

## 2021 SSDA-AT Officers

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|---|---|
| President: Peter Kischak, New York | 914-589-9161 |
| Vice President: Sal Risalvato, New Jersey | 732-256-9646 |
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For more information on SSDA-AT, please contact::

**Roy Littlefield, IV, Managing Director/ Editor**

rlittlefield2@wmda.net ✦ 301-390-0900 ext. 137

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