Winter 2022

NJ GCA
New Jersey Gasoline • C-Store • Automotive Association

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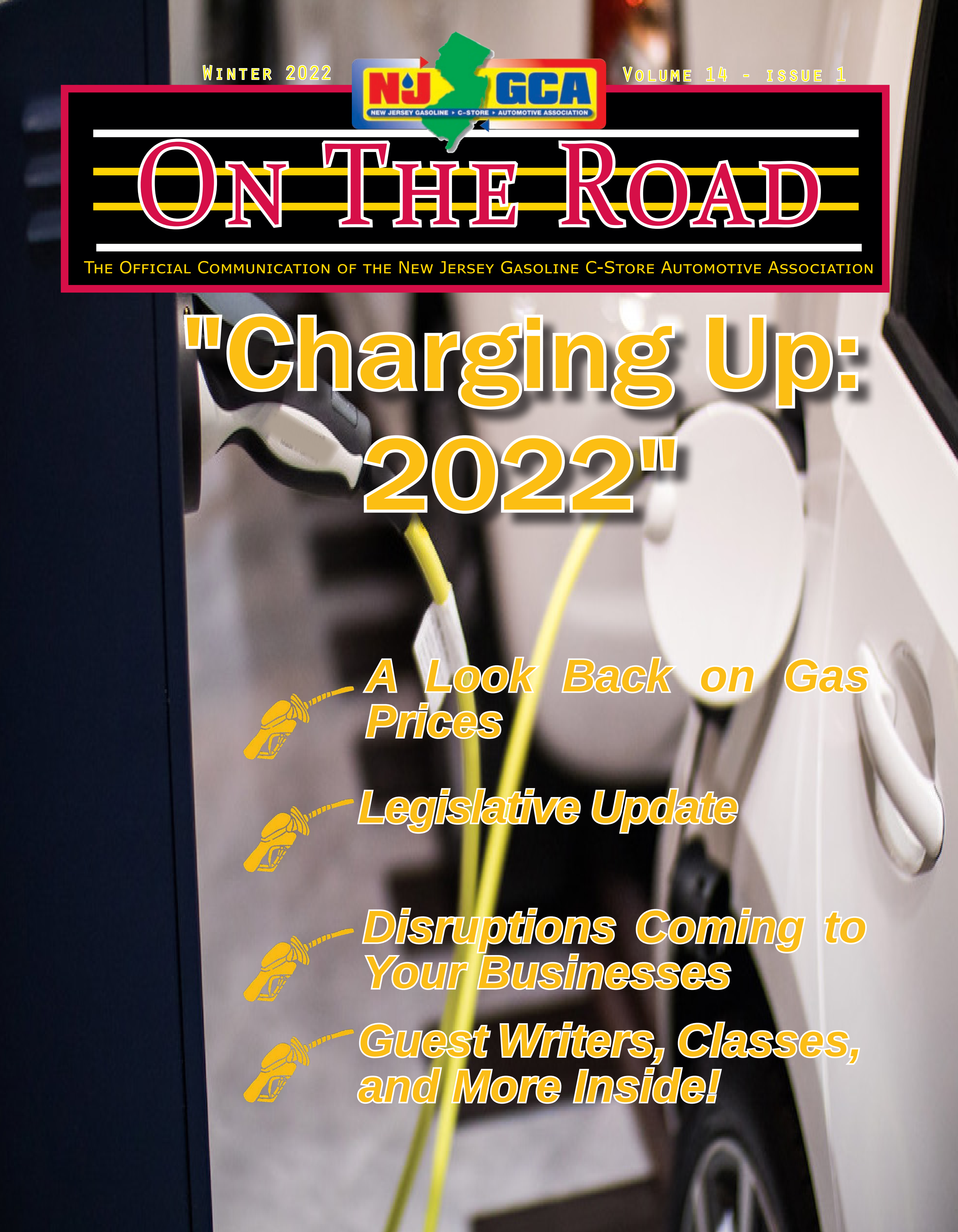
On The Road

The Official Communication of the New Jersey Gasoline C-Store Automotive Association



"Charging Up: 2022"

- A Look Back on Gas Prices
- Legislative Update
- Disruptions Coming to Your Businesses
- Guest Writers, Classes, and More Inside!

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Message From Executive Director Sal Risalvato

Looking Back on 2021 and Ahead to 2022

I do enjoy writing this message every three months for the *On the Road* newsletter. I always have a variety of topics on my mind that I wish to share. It would be great if you were all in a room with me every week for me to share everything on my mind as topics of importance change often. By the time I begin to write this column, I have too much to discuss. Yes, I know that I send an email to you weekly, but that email is designed to update you on happenings in our industry and in Trenton, and not necessarily the proper forum for me to opine in detail. Such is the case this month. Since we are beginning a new year, it is customary to discuss the events of the past year and take a look in to the upcoming year.

There are issues that stand out from this past year that NJGCA has been engaged in that will carry over to 2022 and beyond. Last year at this time we thought COVID would be behind us by now, and it is not. Last year at this time we were preparing for a new president and bracing for whatever new policies would be thrust upon the business community. Last year at this time we were gearing up for the battle to change the self-serve law in NJ. Last year at this time we were watching as the mania surrounding battery electric vehicles heightened.

COVID consumed us and changed our lives in 2020. Mandates and regulations are constantly changing, and making it difficult for businesses to plan even for another month. Vaccines have been an important part of the mandates in 2021, and it appears as if they will be just as important in 2022. As disruptive as COVID is, there is no way we can predict where COVID will be taking us, and there is no way I can venture to predict where we will be next year. I can only hope as do all of you that this pandemic will subside and we can begin a return to normalcy. Historically, both the United States and the rest of the world have survived other plagues and pandemics, and I see no reason that will not be the case now.

The mania emerging to encourage the use of battery electric vehicles (BEV) has been promoted heavily by both the new president in Washington D.C., and Governor Murphy. Huge spending bills have been passed in Congress and more are being debated. Besides the economic impact these bills will have on taxes, interest rates, and inflation, they all have direct funding and incentives to achieve one giant goal – electrify the entire fleet of vehicles used for passengers and commercial transportation. There is an ultimate goal to eliminate the use of fossil fuels in any form, including heating our homes. I am encouraging you to read further in this newsletter and digest what Michelle has put together in the *Energy Examiner*. There are details of all the activity surrounding BEVs and the effort to replace fossil fuels.

There are many reasons why it has become fashionable to advocate for electrification of transportation. The issue of climate change is becoming more important even to those who deny it exists or is caused by humans. Regardless of one's views on climate change, the movement towards electrification will not stop.

I have seen this coming as a movement since before my first days here as your Executive Director. Although I was a big proponent of alternate forms of energy since the early 1980s, I never viewed electrification as the final stop on the transportation energy train. I also was a proponent of alternate energy for very different reasons back then. I was initially concerned with freeing the United States from the dependency on foreign oil, never thinking the issue would swing to an environmental motivation. But over the past 15 years it has morphed into a climate change issue especially since domestic production of crude oil and natural gas have increased and we are no longer held hostage by OPEC nations.

Regardless of my views on alternate energy, I have taken the position since I arrived that it is my responsibility to encourage you to consider selling fuels other than gasoline and diesel because at some point, other fuels will emerge as more favorable. I admit that my reasoning was entirely different then, as my motivation was the worry that at some point, petroleum would become less available and more expensive as a result. I have written many times, that "someday there will be a last drop of oil." Some of the staff here are tired of hearing that from me.

I have often encouraged you to think to the future and change the way you think about your business. Many times, I have said that "you must stop thinking as if you are in the gasoline and diesel fuel business, but rather you must think as if you are in the transportation energy business". I have repeated this regularly in testimony to the legislature when they are considering legislation that will incentivize the electrification of transportation. It is still my responsibility to steer your thinking in this direction, and probably more important today than in previous years.

I believe all forms of transportation energy will be used in the coming years, all for various reasons. I also believe that ultimately in the future our transportation fuel of choice will be hydrogen. I am not prepared to discuss that in this column because it needs its own separate focus. Quickly, I can sum it up by saying that hydrogen is plentiful and environmentally friendly. Fueling a car will be an identical experience for both motorists and retailers. Those in the gasoline retail business will also be the ones that sell hydrogen, unlike electricity which can be charged at home or in shopping malls. Thirty years from now a hydrogen filling station will be no different than a gasoline filling station is today.

A few years ago natural gas became a bridge to the future of transportation fuel. I believe that today's obsession with BEVs will also be a bridge, however, a far longer bridge than natural gas. At the end of the bridge will be hydrogen. We can't and shouldn't stop the transformation from gasoline to electrification.

I compare our situation to that of the candle maker in the late 1800s. There was a time when there were candle makers on every street corner much like gas stations are today. Families purchased their weekly or maybe even daily supply of candles to light their homes. How do you think candle makers felt when the electric light bulb was invented? How did the Candle Makers Association prepare their members? I'm not sure there was a Candle Maker's Association, but you get my point. Should the candle industry position have been to try and stop or slow the transition from candles to electric light bulbs? Would we be better today if candles were still the way we light our homes? My point is this; someday society will look back at this metamorphosis and judge as positive the transformation from fossil fuels to electric/hydrogen. I hope I am still here to see it. I will speak more about this as more public policy emerges that encourage motorists to convert to electric vehicles. Here is another quote from me that I am sure you have all heard, "every customer that buys an electric vehicle, is a customer you will never see again if you don't offer electric vehicle charging." You will also never see them in your shop again if you don't have the training, tools, and technical expertise to maintain and repair their electric vehicles.

I would like to move on to another very important issue that is currently critical to your business. The shortage of labor and qualified employees needed to serve your customers. This is an issue across every sector of our industry. Our gas pumps cannot operate without an attendant to pump a customer's gas, and our shops are struggling to repair cars without competent, qualified, trained technicians. Even our convenience stores are struggling to find enough competent employees to serve customers and stock the shelves.

NJGCA has been engaged for the past seven years to change the self-serve law in NJ. A group of dedicated and concerned members came together last year to fund a campaign that will help us persuade legislators to support a change in the law. They very generously made contributions that were used to conduct an internet and social media campaign that was successful. Certain legislators were targeted and today we believe that we have enough votes in both the Assembly and the Senate to pass our bill.

This is critical at this time. Even though our members have had great difficulty hiring attendants at our pumps for 10 years, the crisis has become more difficult. While other businesses like supermarkets and department stores are permitted to have customers use a self-checkout, we must close our businesses when we don't have an employee to fill a customer's gas tank. Even our convenience stores are permitted to allow their customers to self-checkout, but our pumps are not! I expect our legislation will be introduced in the upcoming weeks and I believe we will be successful having it passed in both houses.

Of course I would love to expand on each of these subjects, and I am sure that I will as updates will be required. For now I will close by saying that I am hopeful that this year we will finally get the COVID situation under control, and we will finally change the self-serve law in NJ. I am wishing you all a Happy New Year and a more prosperous 2022.

President's Message

Hello all and a healthy, happy 2022. At the time of my last message I was getting ready to head west to the SEMA/APPEX show in Las Vegas. It was an amazing show with so much information to absorb. There was too much to share with you here in this column, but I sincerely hope next year more of my colleges will join us for an inspiring 4 days of information and cutting-edge technology. That being said I want to share some exciting revenue generating income resources. ADAS systems: Did you know every time you have an alignment done on these vehicles you need to check the calibration of the ADAS system? Well, you do, and that is because this is the first place the system looks before it starts doing its job. A simple maintenance requirement that pays three hours labor time to check calibration. That's right! A great money maker that does not require crazy equipment and is not that complicated. Don't let the manufacturers scare you. This is an awesome opportunity. Give me a call and I'll tell you all about it.

Next up: Electric, battery hybrid vehicles, etc. All I kept hearing from every seminar I attended was "Take a deep breath and relax." Are they coming? Yes. By the dates predicted? Most likely not. Does that mean not to concern yourself and don't prepare? Absolutely not! Now is the time to start educating and training yourself and your staff for the future. Be the first independent repair facility in your area to offer state of the art technology to your clientele. And this brings me to my final topic: Technicians. Your association is tackling this dilemma on a couple of different fronts. First, last year the association brought back to life its scholarship program. Four individuals entering or already participating in educational studies in our field received $2500 each to help offset expenses. If we can't find technicians, we'll grow them ourselves. That's right. If you have a young person looking to stay in our field and continue their education, we are again awarding scholarships this year. Our goal this year is to make it bigger and better. I encourage you to get involved, and be part of a growing association that works for you. Look for more information coming to you in early February regarding scholarship applications. Our next way of conquering the technician shortage is developing an educational system along with ASE right here within NJGCA. ASE is working with us to create a premier training program.

Talk about exciting! Right now, we are in the infancy of development. Keep your ears and eyes open as we move forward with this endeavor. Now let's talk about Fuel Your Way NJ. The campaign is doing well, and I hope you have been keeping up with the newsletters and e-mails. We are planning to introduce the bill before the legislature late February. The support looks great and very promising. We also gained the support from many of the big players in our field to help us financially get the job done and pass the bill. I encourage you not to give up because we haven't and its still full steam ahead until we accomplish our goal for you.

I've said it before and I'll say it again: Individually it is hard to accomplish great feats, but together as a team we can accomplish anything. You, the members of the associations, are the greatest asset. Your involvement and your support are what motivates us. Please be engaged. Get involved. Send us your thoughts and ideas. Together we can expand our influence and grow stronger. Until the next time. Stay healthy, enjoy life and your family.

2022 will be a great year of opportunity and success.

Your President,
Joe Ocello
848-333-9257
joe@NJGCA.org

Don’t Let This Happen To You!

Feel like you’re facing down a freight train?

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Looking Ahead in 2022

By: Marty Glick

There are many outside forces that negatively impact the traditional Gas/C-Store retailer that is out of their control. However, there are many things that YOU can control that could help to grow sales and profits and protecting your business. Below are some examples:

Branded Dispensed Beverage Program

The Dispensed Coffee category took a significant hit during the onset of the pandemic, but has bounced back nicely. Like the food and snacking categories, this category now has consumer day parts. It's not just hot coffee anymore. Fifty percent of Starbucks business is now cold and indulgent drinks. It all begins with a Branded Hot Dispensed Coffee Program with branded cups and POS.

The future is Bean-to-Cup machines. This is a significant investment with a cost of 7K-10K per machine and more than one (1) machine is needed.

To be a one-stop destination stop, you will need an Iced and Cold Brew program and coffee flavors. This is a high margin category and it usually includes an incremental purchase of some kind.

Branded QSR Food Programs

In approximately six square feet, you can become a QSR, offering Pizza, Chicken & Sub programs. You can also add fresh baked cookies, fruit pies and empanadas. A dedicated person is needed to manage it. The products come frozen and are all cooked in the same ventless oven. You can run it during certain times, based on your store hours and store traffic. Your full line c-store distributor can supply you with additional information and can assist in the training of your employees.

Store Cleanliness

When a customer first walks into your store, what are the first things he/she sees? Are all the lights working? Are there boxes on the floor? Is the floor clean? Are the employees wearing a uniform? People buy with their eyes. Based on your answers, they will buy more, or they might leave. Many c-store bathrooms say "closed" or say "employees only" or "out-of-order." If you have a bathroom, it should be available for your customers to use. Some basic common-sense things to ALWAYS do are: make sure that there is soap, paper towels and toilet paper, the floor should be cleaned, and the garbage should be emptied on hourly basis. Invest in an inexpensive table and a basket of potpourri. Hang some pictures.

"Trunk Slammers"

Even before the pandemic and supply chain issues arose, "trunk slammers" have always existed, offering a multitude of items. Payment terms are usually COD. Their attraction usually revolves around pricing and availability of products that might not be available from their everyday convenience store distributor. Often, the candy offered is short dated. Some retailers have contracts with companies like Mars and Hershey's. Any purchases from a gray van, will not qualify for program dollars that might have contracted with them. In addition, they sometimes sell counterfeit product. Logic had to discontinue their entire line of disposable e-cigs a few years ago due to the counterfeit issues. There are also liability issues the retailers need to be aware of. When you purchase from a brick-and-mortar wholesaler, they have liability insurance and so do their suppliers. If you purchase a lighter from a "trunk slammer" and it explodes in a customer's hand, the consumer will be coming after you and try to find the gray van. At the end of the day, if the price is too good, you might want to think twice before making the purchase.

Delivery Services

Again before the pandemic, many customers who would never go into a c-store to make a purchase, were using these delivery apps on their phones. Since the pandemic, many new customers are now using services like Uber Eats, Seamless, Grub Hub, etc. These new consumers are now using these apps and you might be losing business if you do not hook up with a delivery service provider. One of the roadblocks that many retailers faced was giving up 30%-40% of their margins. I can argue that making less profit on new business with customers who will never walk into your store IS good business, but the decision is yours. However, there is another option where you can earn your full margin. There is a new company called Lula Convenience (www.luladelivery.com), who has agreements with all the delivery providers. They will download your inventory and price book and give you an iPad with their app to receive orders on. They will supply you with POS and Lula branded paper bags to pack the orders in. You will receive the full retail price on all items. They charge $99 per month for this service. Online ordering apps are here to stay, don't lose business to your competition.

~Marty Glick is Executive Vice President of Divisional Sales at National Convenience Distributors and an MBP at NJGCA.

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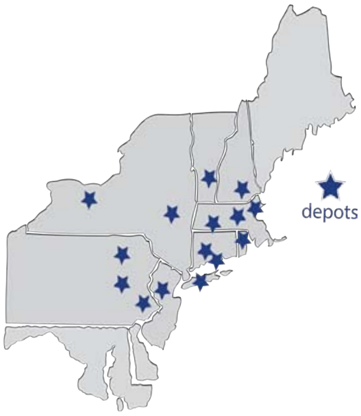

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Good afternoon Joe, I wanted to reach out and say thank you. It's nice to be a part of a group that understands the struggles of the daily operations of owning a gas station. I am a third generation owner and I have been taught that if you need something done then you may have to do it yourself. Through the years that attitude has made me feel alone in this industry. Being a part of the NJGCA has allowed me to connect with companies that cater to my needs as well as understanding the struggles we sometimes endure. As a single gas station owner I now rely on the association for help, I utilize everything the association has to offer. Since I have joined I have been able to negotiate a new contract with a distributor, major underground pump repairs done within days of shutting down, and have had many more issues resolved with the contacts gained through the NJGCA. Needless to say I'm not and I don't feel alone anymore. Thank you, sincerely Bryan Quenzel. Quenzel Service LLC

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2022

MEMBER BENEFIT PARTNER BROCHURE

SAVINGS * ACCESS * VALUE * INFORMATION

NJGCA'S 2022 MBP BROCHURE
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Every year, NJGCA partners with select vendors that promise to deliver with excellence many of the services and products needed in the daily operations of your small business. The MBPs listed all **deserve your first consideration when you require the services that** they offer, and have all committed to supporting NJGCA and our goals.

Important Issues Affecting Your Business

By: Eric Blomgren

COVID-19 VACCINE MANDATES

In November, the Biden Administration formally issued the new rule for certain employers to institute a vaccine or testing mandate. The rule would apply to employers with at least 100 employees (it does not matter if these are full or part time employees). These employers could offer a testing option for employees who do not wish to get vaccinated. The test result must be submitted once every seven days. An unvaccinated employee would need to be masked going forward. Employers would need to keep records of which employees were fully vaccinated as well as the test results for those who opted for weekly testing. These employers would also be required to provide up to four hours of additional paid time off for an employee to get vaccinated if they have not already, the employee must also be given time off to recover from any side effects, but they can be forced to use existing PTO for that. The employer does not have to provide testing or any reimbursement for testing, nor would they have to provide PTO for an employee to get tested. “Vaccinated” is defined as having received both shots of the Moderna or Pfizer vaccine (or one shot of the J&J), plus two weeks after the final shot. The requirements do not apply to employees who do not report to a workplace that has other people around, nor would it apply to an employee who works “exclusively” outdoors. Religious or medical exemptions are allowed, but an employee claiming them will need to undergo regular testing.

The regulation was issued and was to be enforced by the Occupational Health and Safety Administration (OSHA) and implemented starting January 4, 2022, but it did not take long for the courts to freeze the implementation of this rule while they determine whether the process and the rule itself are constitutional. This rule was issued as an emergency order, which means it did not go through the normal regulatory process, and that fact alone may be enough for the courts to throw out this rule. The courts could also rule that while a vaccine mandate for certain employers could be constitutional, it must be passed by Congress (which will not happen in the current makeup of Congress as there is bipartisan opposition to it). The courts also froze a requirement from the Biden Administration requiring that all businesses that contract with the federal government require their employees to be vaccinated. In late December, another court removed the block on the order, saying it will go into effect January 10th. As of this writing, the issue is before the US Supreme Court with a hearing date set for January 7th.

UPDATE: *On January 13th, the US Supreme Court ruled 6-3 to strike dow the mandate, largely on grounds that Congress had never given the authority for something so far reaching to OSHA and that the mandate was applied too broadly.*

If the federal vaccine mandate is upheld, it could be a benefit to smaller businesses who are having trouble finding workers. Businesses with fewer than 100 employees are free to have their own vaccine mandate for their employees, with or without a testing option of some kind. On the other hand, some workers may not be comfortable working closely with someone who is not vaccinated and would prefer a workplace with a mandate. In New Jersey, about 80% of the population of 18–64-year-olds are fully vaccinated.

In New Jersey, Governor Murphy has been silent on the idea of a vaccine mandate for private businesses, instead deferring to the Biden plan. He has issued a directive that all businesses which are State contractors must ensure all their workers are vaccinated or tested weekly. This only applies to new contracts, renewals, or extensions from October 18, 2021 on. It does not apply to contracts that are solely for the provision of goods nor for contracts or subcontracts whose value is too low to go through the State bid advertising process.

In New York City, outgoing Mayor De Blasio announced that all employers in the city would be required to implement a vaccine mandate for on-site workers, no matter how small the business is. He only gave three weeks notice, and it is uncertain whether he has the authority to order it, or if the new Mayor Eric Adams will keep the rule in place when he takes office five days after the effective date. This is by far the most sweeping vaccine mandate in the nation, and we will be monitoring in case it inspires any efforts here in NJ.

REMINDER: MINIMUM WAGE INCREASE

On January 1, 2022 the minimum wage increased for all workers in New Jersey. It now stands at $13.00 an hour. For an employer with fewer than six employees, the minimum is $11.90 an hour. If any of your employees are making less than this amount, make sure to inform your payroll company to increase their wages as they will not do it without your permission.

REMINDER: PLASTIC BAG & STYROFOAM BAN EFFECTIVE MAY 4TH

As part of legislation that was passed and signed into law in November 2020, on May 4th a variety of restrictions will come into effect dealing with bags and Styrofoam products. All single-use plastic carryout bags will be banned at all retail stores in the state. Single use paper bags will still be allowed, but only for convenience stores under 2,500 square feet and businesses that do not sell food. Paper bags are generally more expensive than plastic bags, and c-stores under 2,500 sq. ft. are free to choose not to provide them at all and instead ask customers to either go bagless or purchase a reusable carryout bag. Stores could also charge a small fee for a paper bag if they wish to. Reusable carryout bags are defined as a bag that "(1) is made of polypropylene, PET nonwoven fabric, nylon, cloth, hemp product, or other machine washable fabric; (2) has stitched handles; and (3) is designed and manufactured for multiple reuse." We encourage you to stock some of these bags for sale to customers.

There are several small exemptions to the plastic bag ban, such as a bag used solely to contain uncooked meat or fish, a bag used to package loose items like fruit, nuts, coffee, candy, flowers, small hardware items, etc., a bag used to contain food sliced or prepared to order including soup or hot food, a newspaper bag, etc.

Also banned are most food packaging products made of expanded polystyrene foam, commonly known as Styrofoam. This includes drink cups and food containers. There are several exceptions here as well, such as disposable long-handled foam soda spoons used for thick drinks, portion cups 2oz or less, trays for raw meat or fish, and food that was prepackaged by the manufacturer with Styrofoam.

One benefit of this law is that once it goes into effect it totally overrides all local rules and ordinances covering these items, so if your local government had either prohibited paper bags or required your store to charge a fee for them, they will no longer be required to do so. Also, the penalty for violating any provision of this law is a warning for the first offense. The State has also set up a dedicated webpage for business owners covering these rules, which includes a list of vendors and distributors who sell approved reusable bags at **https://business.nj.gov/bags/plastic-ban-law**

SELF-SERVE GAS

NJGCA spent the summer and fall of 2021 meeting with legislators to discuss our proposal to legalize the option of self-serve gas. We met with a majority of the Legislature and found tremendous and surprising levels of support for this issue. They all understood just how bad the labor shortage has been for almost all industries and believed us that when it comes to gas attendants, the struggle to hire has been ongoing for years. Their main concern was that full-serve might disappear, and to address that our proposal will still require larger gas stations to provide some kind of full-serve option if they are open during daytime hours. Larger stations are defined as those with five or more gasoline dispensers. Legislators are also concerned about how the public feels about this issue, and to address their concerns we will be helping launch an issue advocacy group to educate the public on the benefits of the bill and how it addresses any concerns they have. It is clear that the success of our efforts on this issue will depend on this campaign and its ability to get members of the public to tell their legislators that they want a self-serve option. To support our efforts, please head to **www.fuelyourwaynj.com/donate** to contribute if you have not already. Just think of the benefits to your business if this became law, and how much you would regret it if we missed our chance for lack of funds.

NEW MANDATE ON RETIREMENT PLANS

New Jersey businesses with 25 or more employees will be subject to a mandate starting in March 2022 as part of legislation signed by Governor Murphy in 2019 called the Secure Choice Savings Program. This deadline has been pushed before and may be yet again. Employers of this size will have to offer their employees some type of retirement plan or simply use a new State administered plan (which has yet to be launched). The employer must ensure each employee is automatically enrolled in whichever plan they choose at a 3% investment rate unless the employee explicitly opts out. Employers are under no obligation to match the contribution or to spend any money on these plans beyond the effort to get the plan started and the employee enrolled. Administration fees for the State plan are not to be borne by the employer. Employers with fewer than 25 employees are able to choose to opt-in to the State plan when it launches, both for their employees and themselves. You may also wish to speak to your payroll company about either setting up a compliant plan (like a 401k) or expanding access to an existing plan to all employees, rather than relying on the upcoming State plan. Failure to comply with the rules of the law in its first year is only a written warning.

REGIONAL GAS TAX

The recent spike in gas prices seems to have brought about an end to the Transportation Climate Initiative (TCI), an effort among the states of the northeast targeting carbon emissions from the transportation sector. The TCI regional program would have put a variety of burdens on terminals and distributors and would have forced them to buy credits from the government in order to deliver gasoline or diesel fuel. This would have effectively amounted to an increase in the cost of a gallon of fuel of anywhere from 5¢-15¢ a gallon within the first few years of its implementation. This would cause a tremendous problem if New Jersey were to join, but most of our neighbors did not (New York seemed likely to join but Pennsylvania seemed unlikely). In December 2020, TCI announced that while 13 states had originally been involved, only three were moving forward with implementation (Massachusetts, Connecticut, and Rhode Island). Though the Governor of Connecticut had endorsed it, he failed to get it through the state Legislature and recently publicly stated that there was not enough support for his state to join. In December the Governor of Massachusetts, the strongest supporter of the program, also publicly stated that in the face of high gas prices there simply was not the support to move forward with the program. This effectively means an end to the effort, and the Chairman of the NJ Senate Environment Committee publicly stated that though he had been planning legislation to mandate New Jersey join the TCI, he was pulling back in the face of a lack of support. The plan, however, is not dead if gas prices become less of a concern in the coming months and years. You can expect that the TCI will be resurrected as it would generate tens if not hundreds of millions of dollars of revenue for the State to spend on environmental programs and electric car subsidies if it were to go into effect.

NICOTINE CESSATION MANDATE

In December, the Senate Health Committee and Assembly Health Committee both passed bills (S-4114/A-6020) that would mandate that all stores which sell tobacco products (except cigar-only stores) also offer some form of FDA-approved nicotine cessation product, and to have that product placed behind the register with the cigarettes. This requirement can be met with Nicorette gum or lozenges, which the manufacturer now offers in smaller packages designed to be carried by c-stores. Wawa has already voluntarily started selling these products. Retailers are free to set the markup on these products as high as they wish and have two weeks to refill their supply if they sell out. The bill also requires retailers to display the logo, phone number, and web address for the office NJ Smoking Quitline. The bill passed the Assembly 50-18-5 on December 20th, and the Senate 25-12 on January 10th. At the time of this writing it is unknown if the governor will sign this into law. If he does, it will take effect March 19th.

ENVIRONMENTAL REGULATIONS

In December, the NJ Department of Environmental Protection (DEP) announced that they were officially adopting California's mandate regarding zero emission heavy duty vehicles. The rule will require the manufacturers of these products to ensure a certain percentage of their sales are battery-electric or hydrogen powered beginning in just a few years, or else they will have to buy credits from the State. Zero emissions vehicle (ZEV) tech is further behind for heavy duty than it is for passenger vehicles, meaning there are not many heavy-duty ZEV options even if customers wanted them. While there is no mandate on purchasers of these vehicles to buy ZEVs, this means many will instead purchase out of state. Manufacturers who have to buy these credits will almost certainly pass their cost on to their customers, who will ultimately pass their increased cost on to their customers.

The DEP also formally announced a ban on the sale or use of No. 4 and No. 6 fuel oil, except if used exclusively for ocean-going vessels. Any fuels of these types that are already stored in NJ can remain here for up to two years after the effective date of the ban, which is in February 2022. The DEP also announced their new rule requiring electric boilers. While it was originally speculated that this would be a very broad and expensive rule, the final version only applies to boilers of at least one million Btu/hr, which typically need at least 20,000 square feet to heat, and it applies to newly installed boilers going forward. It does not require existing ones to be replaced.

In a rare example of the Legislature pushing back against excessive mandates, the Senate Community and Urban Affairs Committee unanimously approved S-4133, which would prevent the Murphy Administration from creating an official mandate on businesses or homes to switch to electric heat, which can be more expensive and less effective. While the State has not yet gone this far, the Governor's Energy Master Plan has officially established a goal that 100% of buildings will be supplied with electric heat within the next 30 years. NJGCA supported this bill, which passed the Senate 35-3 on January 10th but expired due to lack of action in the Assembly.

GASOLINE POWERED LEAF BLOWER BAN

In December, Senator Bob Smith (D-Middlesex), the Chair of the Senate Environment and Energy Committee, introduced a bill that would ban the sale of gasoline powered leaf blowers in the state one year after becoming law and ban the use of them by anyone three years after that. This explicitly includes both two-stroke and four-stroke engines and applies to everyone, not just to professional landscapers. Four municipal governments in NJ have so far adopted total or partial bans. California recently adopted new regulations that will ban the sale of gas-powered leaf blowers and lawn mowers in 2024. According to environmentalists, the amount of emissions that come from a leaf blower can be greater than those from a pickup truck given the modern fuel efficiency found in autos. Electric leaf blowers are available but are less powerful and more expensive than gas powered ones, and commercial landscapers will need to purchase significant numbers of extra battery packs. Rather than banning these products and taking the choice away from consumers, legislators should instead look to bills like A-6238 that would require the BPU to provide incentives for the purchase of electric leaf blowers.

DIAPER CHANGING TABLE REQUIREMENT

In December the Assembly Appropriations Committee approved A-857. This bill would require businesses with restrooms available to the public to install a diaper changing station. Thankfully, it would only apply to new construction or to "substantial" renovations, but substantial is defined as just $5,000. Our concern is that some restrooms at member businesses may be so small that the station could not even be effectively used. We asked that the bill be amended to only apply to restrooms with a minimum square footage. The bill passed the Assembly without any changes 70-0-2 on December 20th, but it expired at the end of the session January 11th without becoming law.

BIDEN INFRASTRUCTURE PACKAGE SIGNED INTO LAW

In November, President Biden signed into law the "Infrastructure Investment and Jobs Act." The bill passed with bipartisan support in the Senate 69-30 and the House 228-206. It authorizes about $550 billion in new spending over the next five years on top of baseline infrastructure spending. $110 billion will be spent on roads and bridges specifically. $7.5 billion has been allocated to fund the development of an electric vehicle charging infrastructure (this was a 90% cut from the original proposal), as well as $65 billion for upgrades to the nation's electric grid to handle greater electrification. $6.4 billion has also been set aside for states to develop programs to lower carbon emissions from transportation. The bill did not include an increase in the federal gas tax nor a new tax on tires, both of which had been seriously considered. Much of the cost of the bill is paid for from already authorized COVID-19 relief spending that had not been used.

BIDEN'S "BUILD BACK BETTER" SPENDING PACKAGE

At the time of this writing, the other major Biden spending package called "Build Back Better" is stuck in the Senate. A version of it passed the House in November 220-213 with no Republicans supporting. It's been hard for anyone to keep track of exactly what is in the package and what is not as it changes all the time. The version which passed the House (which will be slimmed down further if it is to pass the Senate) did not increase the individual income tax rate for modified adjusted gross income below $10 million a year, did not make changes to the estate (death) tax, did not increase the corporate tax rate, did not change the 20% business income deduction under 199A for pass-through entities, does not include the proposed doubling of the tax on cigarettes and big new taxes on other tobacco products, and does not include the requirement for banks to report to the IRS all transactions of over $600. All of these had been previously considered.

It does, however, put a 3.8% surtax on business income from pass-throughs, but only on income of over $400,000 per year (for an individual, $500,000 for married filing jointly), as well as a 5% surtax on adjusted gross income over $10 million plus another 3% on income over $25 million per year. It also will resurrect the corporate minimum tax, which applies to corporations who report a profit to their shareholders of over $1 billion per year. It does not fully restore the state and local tax (SALT) deduction, but it does raise the cap from $10,000 to $80,000. It also included a big new federal tax on vaping products and oral nicotine pouches, but this has already been dropped in the Senate bill. It extends the enhanced child tax credit ($3,000 per child per year created as a COVID relief benefit and only authorized for 2021), four weeks of paid family leave (NJ already has twelve weeks), an entitlement program to pay for childcare for kids under five years old, funding for dramatic pre-K expansion, price controls for prescription drugs, $400 billion in new healthcare spending, $166 billion on housing assistance, tens of billions to transition electric power generation away from fossil fuels, and $22 billion in tax credits for electric vehicles.

Republicans in the Senate have made clear that they will not be supporting so much spending on social programs under any circumstances, meaning that the President will need every Democrat in the Senate to vote for it, including moderate Senators Joe Manchin (West Virginia) and Kyrsten Sinema (Arizona). Many are worried about the impact so much spending could have on the budget debt, which could further fuel inflation. President Biden and supporters say that the added spending ($2.1 trillion total) in the bill is entirely paid for by new revenues over ten years, but Sen. Manchin has correctly pointed out that this is only the case because many of the social spending programs are only being authorized for a limited time even though their supporters all want them to be permanent spending. If all programs were to be made permanent, then the bill would add just over $3 trillion to the national debt over the next ten years. The total national debt is now over $29 trillion, and the federal government spends over $420 million per year in interest payments on that debt. Presidents Trump and Biden, in part because of the response to COVID-19, have added $9 trillion to the debt so far. In late December, Sen. Manchin publicly stated that he would in effect rather have no bill than a bill which does not address his concerns. It is still possible for a large spending bill to win Manchin's support, though it would need to cut out completely some of the proposed programs.

2021 ELECTION RESULTS

The 2021 elections for Governor and state Legislature proved closer and more interesting than most were expecting. Polls had pretty consistently showed Governor Phil Murphy (D) with a clear lead over his Republican opponent Jack Ciattarelli, often by double-digits. Ultimately, those polls seemed to undercount the enthusiasm gap that existed in the Republicans' favor, especially in some corners of the state. On election night it looked like Ciattarelli might narrowly pull off the upset victory, but as all the votes were counted over the following week it became clear he would fall short. About 22% of all votes were cast through mail-in ballots (which take longer to count), and the trend that has generally emerged over the last few years is that Democratic voters prefer to vote by mail and Republicans prefer to vote on machines on Election Day. The final result had Murphy with 51% and Ciattarelli with 48%, making it the closest statewide election in the state in about 25 years. Four years earlier Murphy was elected by a 14% margin. The election results demonstrated some of the ongoing realignment between the political parties. Ciattarelli made the biggest gains in South Jersey, particularly among noncollege educated whites, a group which was once the cornerstone of the Democratic Party but has shifting to Republicans over the last 20 years, particularly since the nomination of Donald Trump for President. On the other hand, Ciattarelli made much smaller gains in the traditional NJ Republican heartland of suburbs with higher incomes and higher levels of education, like Somerset, Hunterdon, and Morris counties. Those areas have trended against the Republican Party since the rise of Trump six years ago. Ciattarelli was also able to capitalize on some of the gains Republicans made with Hispanic voters in 2020, although the main trend among urban voters generally was low turnout. For example, turnout in the cities of Paterson, Trenton, and Camden was about 20% of registered voters, while turnout in places like Toms River, Middletown, and Wayne was over 45%. Ultimately, Murphy's landslide margins in urban areas as well as his ability to hold on to enough suburban swing voters was able to give him the narrow victory and another four-year term.

The biggest shock of the night, and one of the biggest shocks in modern New Jersey political history, was the defeat of Senate President Steve Sweeney in his home district, which encompasses parts of Gloucester, Salem, and Cumberland Counties down near the Delaware border. Sweeney was not widely seen as vulnerable this election cycle. He has served as Senate President since 2010, the longest person ever to hold the state's second most powerful position. Four years ago, the teachers' union ran a huge campaign against him; the most expensive legislative election in American history. He still won that election by double digits. This time his opponent, a truck driver and local activist named Ed Durr, spent barely any money against him. Nevertheless, Sweeney lost 51%-48%. The outcome actually should not have been as big a shock as it was. Though this district has voted Democratic for legislative office for decades (and for Sweeney specifically for 20 years), it is also a district that twice voted Trump for President. Those voters came out hard against Murphy and punished all Democrats. Sweeney actually ran more than 10 points ahead of Murphy in the district, but it just wasn't enough. Sweeney's two running mates, Assemblymen John Burzichelli and Adam Taliaferro also lost their reelection bids to Beth Sawyer and Bethanne McCarthy Patrick. Burzichelli was Chair of the highly influential Appropriations Committee.

The other competitive legislative elections generally broke for Republicans. In LD 2 (Atlantic County) Republican Vince Polistina held onto a Republican Senate seat by 4% in one of the most competitive districts in the state, his two Assembly running mates, Claire Swift and Don Guardian were also elected, flipping two Democratic seats. In the 8th district, based in Burlington County, Senator Dawn Addiego (D) (who switched parties two years ago) was defeated by Assemblywoman Jean Stanfield (R) by 2%. Republicans Michael Torrissi, Jr. (of the Torrissi fuel distribution company) and Brandon Umba were also elected, keeping those Assembly seats in Republican hands. In Monmouth County, Republicans Marilyn Piperno and Kim Eulner defeated Democratic Assemblymembers Eric Houghtaling and Joann Downey in LD 11. Incumbent Democratic Senator Vin Gopal was able to win reelection by 4% despite Ciattarelli winning the district by 3%. LD 11 will be the only of the state's 40 districts with split party control. LD 16, spread across 4 counties in Central Jersey, was the one bright spot for Democrats as Asm. Andrew Zwicker won the Senate seat currently held by Republican Kip Bateman, who chose to retire. Zwicker won by a 6.6% margin and so did his two Assembly running mates, Roy Freiman and Sadaf Jaffer. This is the same district that Ciattarelli used to represent, and despite that, it voted for Murphy by 6%. This further illustrates the problems Republicans have developed in that part of the state. In the Union County based LD 21, Assemblyman Jon Bramnick (R) comfortably won the open Senate seat even while Murphy narrowly won the district. All other seats were comfortably won by the current party holding the seat. The new Legislature will now be 24D-16R in the Senate and 46D-34R in the Assembly, the closest the Assembly has been in 20 years.

With Senator Sweeney no longer Senate President, Democrats selected Sen. Nick Scutari to be the new Senate President. Sen. Scutari (D-Union) has been in the state Senate for the last 18 years and has served as Chair of the influential Judiciary Committee. Speaker Craig Coughlin (D-Middlesex) was selected for a third term as leader of the General Assembly. All 120 legislators will be on the ballot again in 2023. When they are, they will be running in new districts redesigned to account for the changes in population that have occurred since 2010. In record time, the race for the 2025 election for Governor has already begun, as Jack Ciattarelli has publicly stated that he will run again. Steve Sweeney also said that he was planning to mount a campaign as well. Gov. Murphy is not eligible to run for reelection.

Election 2022 is now almost fully underway. The country will decide which party will control the two houses of Congress, both narrowly controlled by Democrats currently. New Jersey will decide who our 12 members of the House of Representatives will be; our delegation is currently split 10D-2R. Just before Christmas, the independent tiebreaker on the commission chosen to draw congressional districts sided with the Democrats in drawing a new congressional map that significantly strengthens the districts of three Democrats who had previously been in tossup districts—Andy Kim, Josh Gottheimer, and Mikie Sherrill. Democrat Tom Malinowski's district was made more Republican but will still be competitive. A national political environment that is strong enough for Republicans could threaten any of those seats, it is likely now that New Jersey's House delegation will be either 10-2 or 9-3 in favor of democrats for most of the next decade. Neither of New Jersey's two US Senators will be on the ballot in 2022.

FOLLOW NJGCA ON SOCIAL MEDIA!

We want to be more aggressive with sharing news, information, and opinions on our social media platforms, including our legislative efforts. Also, we hope to highlight our members' efforts in their communities and beyond on social media as well. We would appreciate the follow and welcome discussion and sharing! Just search for NJGCA on your platform.

Follow us on our three social media platforms and join in on the discussion today!

Be Ready When Government Investigators Come Knocking

By: Mauro Tucci & Ravi Gill

Every now and then, you may notice a news story about a small business that was charged with a crime or subjected to a huge civil penalty for a regulatory violation. You probably shrug it off, assuming it could never happen to you. Don't fool yourself. It could happen to you.

Investigations of Gas Stations

Take the recent example of the owner of five Essex County service stations who ended up paying penalties and costs totaling over $138,000 for allegedly overcharging for gasoline[1]. Those five stations were investigated by the Office of Weights and Measures (OWM) over the course of a year before the stations' owner agreed to settle the charges brought by New Jersey Attorney General's Office. In addition to civil penalties, the stations were charged $27,000 in investigative costs incurred by the state.

But you could still have problems even if you didn't commit the violation you are being investigated for. Back in 2011, the Attorney General's Office was investigating gasoline price gouging in the wake of Hurricane Irene[2]. Three gas stations investigated by OWM were able to prove that they had not engaged in price gouging. In the course of that investigation, however, it was discovered that the stations had changed prices twice in 24 hours and were charged with pricing violations.

Current Areas of Investigation

It's not just OWM that NJGCA members should be concerned about. Government investigators are actively prosecuting criminal fraud by businesses that applied for COVID-19 relief funds like the Paycheck Protection Program (PPP).

The United States Department of Justice has announced plans to aggressively prosecute PPP fraud, and as of early 2021 had already charged nearly 500 people with fraud arising from the pandemic[3]. Many anticipate that there will be widespread investigations for years to come.

1 *https://www.njoag.gov/acting-ag-bruck-five-essex-county-gas-stations-agree-to-138000-settlement-over-allegations-of-overcharging-consumers/*

2 *https://www.nj.gov/oag/newsreleases11/pr20110923a.html*

3 *https://www.justice.gov/opa/pr/justice-department-takes-action-against-covid-19-fraud*

We've seen these types of investigations before. In the wake of Superstorm Sandy, prosecutors criminally charged over 240 New Jersey residents for fraudulent applications for FEMA disaster funds[4]. That number represented only those actually charged with a crime and does not account for any who were investigated but never charged. Defrauding the government is a serious crime, but that doesn't mean that everyone investigated by the government actually did something wrong. PPP loans or Superstorm Sandy relief applications required extensive paperwork and financial information. We have seen criminal investigations triggered by something as simple as discrepancies in the paperwork.

An honest mistake can land you in the government's crosshairs.

Responding to Government Investigators

If you or your business are notified of an investigation by any government agency, you should take immediate action to put yourself in the best position to respond. Delay is likely to put you at increased risk.

At the outset, it may not be clear whether the investigation is criminal or civil. Regardless, take every investigative inquiry with the utmost seriousness. A civil investigation can very quickly morph into criminal charges against involved individuals. That is why it is crucial to know as much as possible about the investigation from the very beginning.

First, try to determine what agency is looking at you and why. Some basic questions you will need to ask yourself include:

- Am I being investigated by a federal, state, or local entity?
- Does that office have a particular area of responsibility?
- Is there a particular investigator or contact person?

Next, consider how you were first contacted. Were you served with a subpoena? Did you receive a letter in the mail? Are investigators at your door with a search warrant? The manner in which

4 *https://www.nj.gov/oag/newsreleases20/pr20201029a.html*

you are notified about the investigation can indicate how the matter will unfold. Be aware that there may be deadlines for when you are required to respond. Also, make sure you preserve all of your records as soon as you learn there is an investigation. Do not dispose of any documents. Do not delete emails or electronic files. Doing so can make your situation worse.

Hire an Attorney

As soon as you have some idea what the investigation is about, immediately seek appropriate legal counsel. The attorney who helped form your business or who prepared your personal estate plan may not have sufficient experience with criminal or regulatory investigations.

In a perfect world, you would already have an established relationship with an attorney experienced in responding to government investigations. If you haven't been in this situation before (hopefully not), ask a trusted advisor to refer you to someone who can best protect your interests. The NJGCA is an ideal resource in this regard.

Most obviously, having an attorney means there is someone who can offer advice that is protected by attorney-client privilege. This means that you can have an open and honest conversation that cannot be disclosed to government investigators. Remember that the government may be entitled to learn about any information you share with non-attorneys.

Your attorney becomes the point of contact for the government, so you do not have to deal with the investigators directly. This allows you to continue operating your business without the lingering concern of an investigator disrupting your day.
In many cases, retaining an attorney with credibility and professional contacts can alter the entire trajectory of an investigation. We have also seen instances where attorneys have negotiated resolution that are not only more favorable to their clients, but also less damaging publicly.

Under the right circumstances, an attorney can negotiate down possible criminal charges to eliminate the potential for jail time, or even get the investigation dropped in favor of a civil settlement. In a best-case scenario, involving an attorney early on could resolve an investigation without any publicity and before charges are filed.

Admittedly, retaining legal counsel is an unwanted expense. What you must remember is that monetary penalties imposed as a result of a criminal or civil violation can be severe. The cost of government investigations may grow exponentially if not handled appropriately from the outset.

* * *

The takeaway is that any inquiry from a government investigator should be treated very seriously and needs immediate action. Being prepared and moving quickly can make all the difference the outcome of an investigation. When in doubt, the NJGCA is available to refer you to someone who can assist you.

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2021: The Year in Gas Prices

By: Eric Blomgren

The story for 2021 in gas prices is one of a steady march upwards straight across the year, or at least 11 months of the year. There were occasional dips along the way, but it was not until the final days of November that we saw a meaningful and sustained drop in prices, and even then, they only dropped back to where they had been about 10 weeks earlier.

The increase in average annual price from 2020 to 2021 is the highest we've seen at least in the last twenty years (50%), but that shouldn't be too surprising given that prices in 2020 were abnormally low due to the impact of COVID-19 throughout 2020. But even compared to 2019 prices were on average 40¢ a gallon higher. In fact, they were the highest since 2014. This is worrisome given that demand continues to be below pre-pandemic levels.

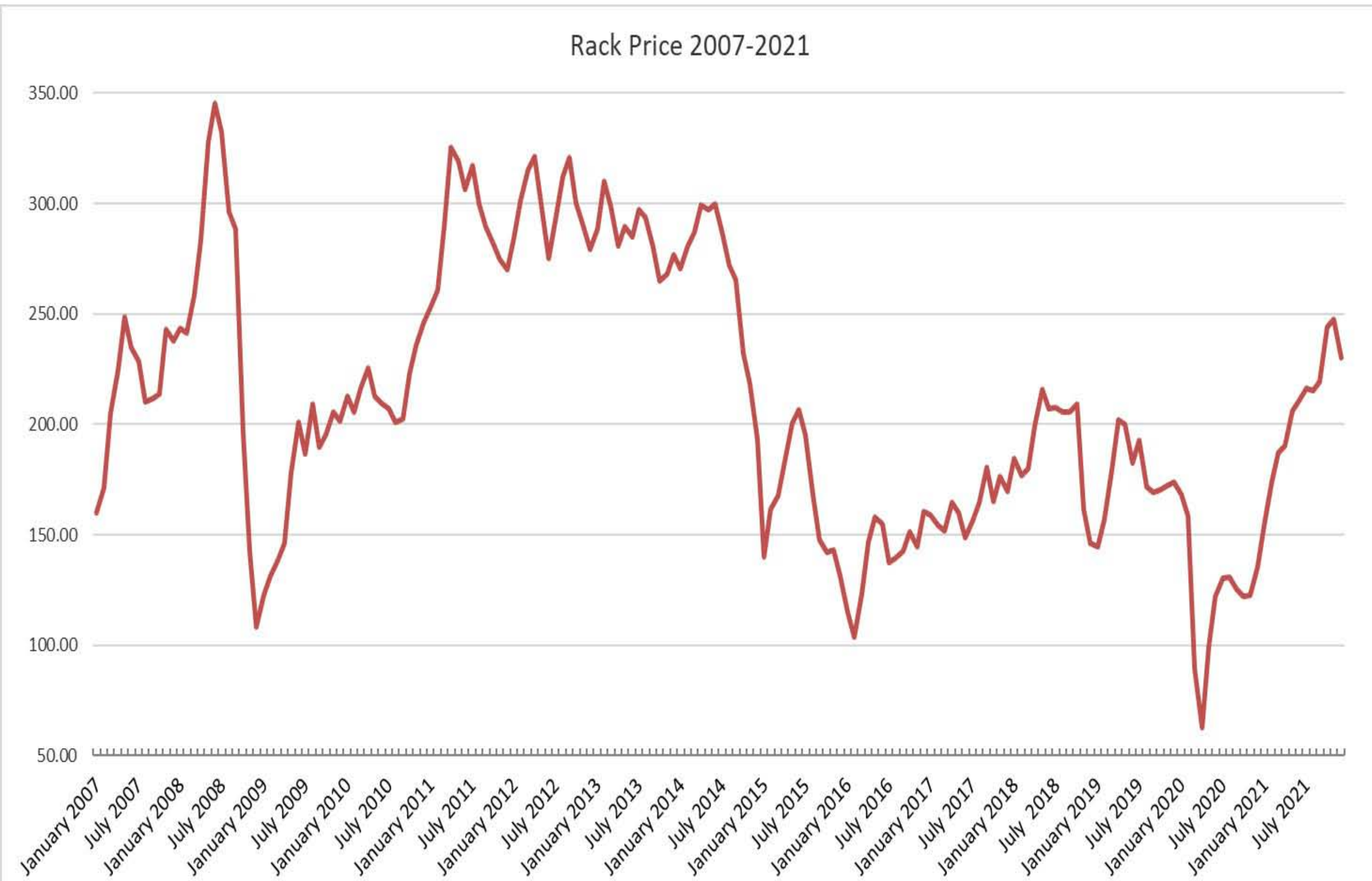
These high prices are not unprecedented of course, even at this level they are lower than they were for the three-and-a-half-year period from 2011 through mid-2014, when the average rack plus tax price was about $3.25 a gallon, compared with $2.75 a gallon for 2021. One key difference for us in NJ compared with that time, however, is that since then the state has increased its gas tax a net 27.9¢ a gallon.

The lowest price for the year 2021 came on January 4th when the average rack price plus tax for regular gas was $2.10 a gallon. The highest price was on November 17th when it was $3.18 a gallon, which was the highest price since July 15, 2014. The average margin (calculated here as the average retail price with the prior day's average rack plus tax price subtracted) fluctuated throughout the year but averaged out to 33¢ a gallon. It was regularly around or below 25¢ a gallon in the first half of the year but increased steadily in the second half and increased dramatically in December when wholesale prices started to fall.

2021	Average Rack Price+Tax	From Previous Month	Avg. Margin (OPIS)
January	$2.23	$0.18	$0.26
February	$2.43	$0.20	$0.25
March	$2.56	$0.13	$0.34
April	$2.59	$0.03	$0.32
May	$2.75	$0.16	$0.29
June	$2.80	$0.04	$0.29
July	$2.86	$0.06	$0.33
August	$2.85	-$0.01	$0.36
September	$2.89	$0.04	$0.35
October	$3.05	$0.16	$0.30
November	$3.08	$0.03	$0.37
December	$2.92	-$0.16	$0.51

Year	Average Rack Price + Tax	Change	% Change
2010	$2.45	$0.40	20%
2011	$3.20	$0.75	31%
2012	$3.32	$0.12	4%
2013	$3.19	-$0.13	-4%
2014	$3.00	-$0.19	-6%
2015	$1.99	-$1.01	-34%
2016	$1.77	-$0.22	-11%
2017	$2.18	$0.41	23%
2018	$2.48	$0.30	14%
2019	$2.36	-$0.12	-11%
2020	$1.84	-$0.52	-22%
2021	$2.75	$0.91	49%


Average Rack Price + Tax: 2021
$3.2000
$3.0000
$2.8000
$2.6000
$2.4000
$2.2000
$2.0000
1/1
1/15
1/29
2/12
2/26
3/12
3/26
4/9
4/23
5/7
5/21
6/4
6/18
7/2
7/16
7/30
8/13
8/27
9/10
9/24
10/8
10/22
11/5
11/19
12/3
12/17
12/31


Rack Price 2007-2021
350.00
300.00
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200.00
150.00
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50.00
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July 2008
January 2009
July 2009
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THE ENERGY EXAMINER
FROM TRADITIONAL RESOURCES TO ALTERNATIVE ENERGY INNOVATIONS

By Michelle Horowitz Jackson

Since our debut in 2007, NJGCA *On The Road* has brought you timely updates on changes in the energy and automotive industries. Today, each new issue of *On The Road* will bring you more update and information in our *Energy Examiner*. The *Energy Examiner* will offer readers news from around the energy/transportation industry and how it will affect your small business. If you have any questions or comments on what you review in these quarterly pieces, please feel free to reach out to NJGCA.

National Climate News:

In an attempt to use the federal government as a model for the rest of the country and spur the take-off of the green energy market, President Biden signed a series of executive orders in December to make the federal government carbon neutral by ordering federal agencies to buy electric vehicles, power facilities with wind, solar and nuclear energy, and to use more sustainable building materials. This includes the government's 300,000 buildings, 600,000 cars and trucks, and the use of its annual purchases of $650 billion in goods and services to meet the executive orders demands of a federal government that stops adding carbon dioxide into the atmosphere by 2050. The orders outline the timeline for conversions: By 2030, the federal government will purchase electricity produced only from sources that do not emit carbon dioxide, by 2032, the Biden administration wants to see the emissions from building operations, such as heating, cut in half, and by 2035, all new federal cars and truck purchases must be zero-emissions.

President Biden has promised to cut America's emissions from fossil fuels roughly in half by the end of this decade, though some obstacles remain. Congress has not yet approved the "Build Back Better Act" that would help achieve that target through several climate change initiatives, and current events look like it will not pass at all unless certain conditions are met. Future administrations could also reverse the above executive orders, clean energy purchases may cost the government more money in the short run, and infrastructure issues remain, as electric charging stations for an all-electric federal vehicle fleet have not yet been built (though solutions for this are included in the Infrastructure bill that was signed into law in November).

New Jersey Climate News:

In October, Governor Murphy's Interagency Council on Climate Resilience released the final working document of the state's first Climate Change Resiliency Strategy, which the administration describes as "a science-based blueprint for protecting New Jersey's vulnerable communities, environment, economy, and infrastructure from the impacts of climate change." The six priorities outlined in the document are as follows:

1. Build Resilient and Healthy Communities
2. Strengthen the Resilience of New Jersey's Ecosystems
3. Promote Coordinated Governance
4. Invest in Information and Increase Public Understanding
5. Expand Resilience Funding and Financing
6. Coastal Resilience Plan

Though the State is still pursuing climate change efforts, there has also been pushback from several entities on initiatives that they are pursuing in the Energy Master Plan. The Fuel Merchants Association recently launched SmartHeatNJ, a campaign to combat the part of the plan that calls for electric heating systems in businesses and homes. The Energy Master Plan estimates the average cost of installing an electric heating system at $4,000 to $7,000 for a typical residence, which could be a huge financial burden. The Fuel Merchants Association estimates the cost could be even higher when accounting for everything that's needed to retrofit and heat a New Jersey home. In January, legislation was passed by the Senate prohibiting state agencies from enacting policies that mandate electric heating systems or electric water heating systems to replace natural gas systems.

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UPDATE: ETHANOL/BIOFUELS/BIODIESEL

NEW RENEWABLE FUEL STANDARDS RELEASED

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After a delay and threats of a lawsuit, the EPA released its Renewable Fuel Standard volume proposals for 2021 and 2022 in early December. Each year under the Clean Air Act, the EPA must calculate and publicize renewable fuel obligations that ensure the program's requirements will be met in the upcoming year. The deadline each year is on Nov. 30. The EPA is required to set the renewable volume obligation so that biofuel and fossil fuel companies understand their fuel blending rules for the following year. Failure to set these rules could lead to uncertainty in the market and lower than necessary biofuel blending levels, according to the Growth Energy release. You can view the Renewable Fuel Standards for years 2020, 2021, and 2022 on the EPA website.

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UPDATE: ELECTRICITY & ELECTRIC POWERED VEHICLES

GOV'T PRIORITIZES, THOUGH CRITICS REMAIN VOCAL; INFRASTRUCTURE TO EXPAND

*** ENERGY EXAMINER *** ENERGY EXAMINER *** ENERGY EXAMINER *** ENERGY EXAMINER *** ENERGY EXAMINER *** ENERGY EXAMINER *** ENERGY EXAMINER *** ENERGY EXAMINER ***

There continues to be lots to report in the electric vehicle front with the government continuing to prioritize the industries adoption and expansion. In the last *Energy Examiner*, we mentioned that President Biden announced a goal that by 2030, half of the vehicles sold in the United States will be battery electric, fuel-cell electric or plug-in hybrid. Since then, there have been critics that have spoken out as well as many businesses that have benefitted from the federal government's commitment to get more zero emission vehicles on the road.

One such critic, the United Autoworkers Union, which also happens to be one of Biden's oldest political allies, raised questions as to the implication of such a change on the job market. Industry experts claim that electric vehicles take about 30% less labor to assemble than traditional internal combustion engine vehicles, and therefore could result in a decrease in jobs. They also want assurance that the jobs provided would be union jobs. The UAW is lobbying the White House and lawmakers to support consumer tax incentives for purchasing union-made EVs. While concerns remain, there is no denying across the board that a shift is coming, and the industry needs to be ready.

Despite this, the industry continues to innovate and adapt to what's inevitably coming. Tesla's stock value skyrocketed to a trillion dollars after car rental company Hertz ordered 100,000 vehicles. The company has pledged to convert more than 20 percent of its rental fleet to Tesla's electric cars by the end of next year. In some major cities, patrons are already able to rent a Tesla Model 3. Verizon is also investing in BrightDrop, General Motors' electric delivery van brand. They will launch their second vehicle in 2023 with Verizon as the first customer. BrightDrop has already completed their first vehicle, the EV600, for FedEx Express this year. The build timeline was the fastest vehicle program in GM's history. Then there's Foxconn, aTaiwanese manufacturing company with ties to Apple, who revealed a trio of electric vehicles coming soon. A SUV with an estimated range of 435 miles, a sedan and a bus will be made under the joint venture brand Foxtron, and will go on sale sometime in 2022. It's still questionable if we will see these vehicles in the US, though the company has looked into building a factory in Wisconsin, as well as possibly retooling the Lordstown Motors factory in Ohio. Toyota has also announced it will release its first all-electric vehicle in 2022, the Toyota bZ4X, a midsize SUV that will get 310 miles of range on a single charge. The SUV will be able to charge up to 80% on a fast charger and will also have a solar panel option, which would generate enough electricity to drive the vehicle for more than 1,100 miles per year.

Toyota bZ4X

All that said, Edmunds projects the U.S. EV market share will climb to 4% in 2022, surpassing 600,000 vehicles sold, with Tesla's market share dropping to 46% as new players enter the segment. One of those new players is Rivian, the latest buzzworthy electric vehicle is that recently took their startup public. They are currently trying to keep up with orders for their electric truck, SUV and Amazon delivery vans. Rivian raised $13.7 billion through its initial public offering in November and is now worth more than Ford or General Motors. The California-based startup has produced only 652 vehicles in its first three months of operation, and has delivered the first of 100,000 EV vans to its investor Amazon. Despite its current slow production rate, there are currently 71,000 preorders for its R1T and R1S models, which means anyone who puts money down on the $70,000 EVs will have to wait until 2023 to receive their vehicles. The company announced last month they will build a second assembly plant in Georgia to keep up with anticipated future demand and its ambitions to become the Tesla of trucks. That will depend entirely on its production output.

Rivian R1T

Rivian R1S

The shift to electric vehicles, though slow, will inevitably be felt in all facets of our industries. According to the Bureau of Labor Statistics, making, selling and servicing vehicles employ an estimated 4.7 million people in the U.S. While there will always be a need for our industries, the day to day tasks and duties will change given the changing vehicle parts, charging times, and "fueling" process that come with electric (and all zero emissions) vehicles.

Infrastructure:

The hustle to expand charging stations throughout the country continues, first with five states (Illinois, Indiana, Michigan, Minnesota and Wisconsin) joining forces to create REV Midwest, or the Regional Electric Vehicle Midwest Coalition. The regional framework aims at accelerating vehicle electrification in the Midwest in the hopes of making EV chargers more accessible and as a result, boosting EV adoption. The plan aims to increase jobs in the field, improve public health by creating cleaner air and water, and will target disadvantaged communities. Michigan also recently announced that it will build the first one-mile stretch of road in the U.S. that will charge electric cars while they're driving on it and the Indiana Department of Transportation and Purdue University announced plans to develop the world's first contactless wireless-charging concrete pavement highway segment.

Looking at federal initiatives to expand charging, the Biden administration released an ambitious federal strategy in December to build 500,000 charging stations for electric vehicles across the country and bring down the cost of electric cars. Part of the $1 trillion infrastructure bill authorizes a nationwide network of charging stations and sets aside $5 billion for states to build them, as well as an additional $2.5 billion for local grants to support charging stations in rural areas and in disadvantaged communities. The bill creates a Joint Office of Energy and Transportation between the Energy and Transportation departments, which will be tasked with implementing the charging network and other electrification provisions in the infrastructure law. The administration will hold stakeholder meetings on the electric charging network, and an electric vehicle advisory committee will be established by the Energy and Transportation departments. Guidance for cities and states to strategically deploy electric vehicle charging stations will be published by the Transportation Department in February, and then the department will publish final standards in the spring to make sure chargers are functional, safe and accessible.

We described in the last issue of the Energy Examiner that there are some significant issues with scaling up infrastructure nationwide to accommodate a grid that will be able to charge the growing number of electric vehicles that we will see in the future. President Biden's climate change goals are made complicated by aging transformers and dated electrical lines that have made it hard for homeowners, local governments and businesses to use solar panels, batteries, electric cars, heat pumps and other devices that can help reduce greenhouse gas emissions; with much of the nation's equipment on the electrical grid built decades ago and in serious need of upgrades. As it stands currently, the grid is far from having enough capacity to power all the things that can help address the effects of climate change, such as electricity generated by solar, wind, nuclear and other zero-emission energy sources. The ultimate challenge will be scaling up the infrastructure while keeping both cars and heating systems affordable, as well as the "fuel" (electricity) itself compared to gasoline and natural gas.

Electric Battery Update

In the fall, Ford announced a multi-billion dollar investment to build three battery factories and an electric truck plant in the United States, creating 11,000 jobs over the next four years. This will allow them to produce more than one million electric vehicles a year in the second half of this decade. Ford joins other automakers with goals to expand battery production, with GM planning to build four battery plants in the United States over the next few years, and Toyota, which plans to spend billions of dollars over the next decade to build battery factories and hoped to sell two million electric cars a year by the end of the decade. Elon Musk, Tesla's CEO has stated that the scale up of battery production factories should help end the global semiconductor chip shortage and allow the United States to become a bigger market for that industry.

New Jersey:

Governor Murphy echoes the sentiments of the Biden administration in the need to scale up EV sales and infrastructure, and fast. In December, New Jersey adopted Advanced Clean Truck rules similar to California's that would make the state the first on the east coast to require a phase in of electric commercial trucks. The new rules require each truck manufacturer selling medium-and heavy-duty vehicles in the state to increase the number of electric vehicles sold in the state over time. Deficits that a manufacturer has are based on its total sales of all medium- and heavy-duty vehicles in New Jersey must be offset by credits, beginning in 2025, and credits annually increase through 2035. Manufacturers get credits by selling Zero Emission Vehicles (ZEVs) in New Jersey or can obtain credits from another manufacturer's sales of ZEVs in the state. Again, the main concern with these rules remain with the pace of the scale-up of infrastructure and if these rules "put the cart before the horse."

The governor also put out a Request for Expressions of Interest," or RFEI for companies to submit informative proposals for what would be the state's first all-electric powered, micro-transit system that would include self-driving mini buses in Trenton. According to the RFEI, the micro-transit system would use a fleet of 100 all electric powered, self-driving vehicles, transporting people on demand who call for a ride with a smartphone app or from one of 60 kiosks to be built in Trenton and on the outskirts. The system is geared to serve the 70% of Trenton households that don't have access to a car and would charge a low cost fare to riders in neighborhoods underserved by public transit. Officials posit this would be the first large-scale urban transit system in America to use self-driving shuttles.

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UPDATE: HYDROGEN/HYDROGEN FUEL CELLS

FUEL CELL AIRPLANES; TOYOTA SEES HYDROGEN AS THE FUTURE

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Some consider air travel to be one of the most harmful modes of transportation to the environment. In response to this increased scrutiny, United Airlines has purchased stock in ZeroAvia, a firm focused on powering electric motors by utilizing hydrogen fuel cells and expects to purchase up to 100 of the company's 100% hydrogen-electric engines. ZeroAvia says it has raised $115 million of investment from a range of stakeholders including Shell Ventures, Amazon's Climate Pledge Fund and Breakthrough Energy Ventures. United Airlines CEO Scott Kirby said hydrogen-electric engines were "one of the most promising paths to zero-emission air travel for smaller aircraft."

Toyota also recently announced prices for its second generation Mirai, its hydrogen-powered model. The base model Mirai XLE will start at $50,525, including destination, but not including any kind of subsidies or credits. As with the previous Mirai, Toyota will subsidize up to $15,000 in hydrogen purchases. Toyota will include complimentary extended ToyotaCare maintenance plan with every Mirai sold, covering any service needs for three years or 36,000 miles. That's on top of the eight-year, 100,000-mile fuel cell EV warranty that covers most of your fuel cell and electric drive components. The base XLE Mirai will also do up to 402 miles of range on a tank of hydrogen, allowing users to drive without range anxiety, though the issue of charging infrastructure still remains nationwide. Toyota Motor Corp Chief Scientist Gill Pratt recently said not everybody should drive a battery electric vehicle as a means to combat climate change, and there should be a "diversity of drivetrains" to give customers different tools to reduce their carbon footprint. He added, "it's not for us to predict which solution is the best or say only this will work," a reminder that the company has diversified its fleet with electric battery, hybrid, and hydrogen fuel cell vehicles.

UPDATE: NUCLEAR / WIND / SOLAR / GEOTHERMAL

NJ TO LEAD THE WAY IN WIND ENERGY; SOLAR PILOT SUCCESS BECOMES PERMANENT

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Wind:

The Biden administration announced a plan to develop large-scale wind farms along nearly the entire coastline of the United States. This will be the first long-term strategy from the federal government to produce electricity from offshore turbines. With two major commercial offshore wind farms recently approved on both coasts of the country, this is considered the most forceful push ever by federal government to promote offshore wind development. Still, the industry must face some hurdles, mainly from commercial fishing groups and coastal landowners, who will likely try to stop the projects. Additionally, in the Gulf of Mexico, where oil and gas exploration is a major part of the economy, fossil fuel companies could fight the development of wind energy as a threat to not only their local operations but their entire business model.

In New Jersey, south Jersey is being targeted to host such wind turbines. Within the next three years, dozens of 800-foot-tall Ocean Wind turbines located 15 miles off the coast of Atlantic City are expected to generate about 1,100 megawatts of electricity, enough to power 500,000 homes. Additionally, construction will be underway on an even larger Atlantic Shores wind farm off Long Beach Island, whose 1,510 megawatts will serve another 700,000 homes. The industry is expected to bring thousands of jobs to Salem and Gloucester counties between building the 5 million pound steel monopile foundations, assembling the wind towers, turbines and blades, and shipping them out to sea. Together, the New Jersey Wind Port and the Paulsboro manufacturing facility represent the largest investment in the offshore wind industry in the United States. They will create permanent, high-paying jobs manufacturing monopiles and assembling wind turbines, and their locations will allow for transportation throughout the entire eastern seaboard, making New Jersey the hub for this industry.

Solar:

A successful pilot program the state launched two years ago will become permanent due to its overwhelming popularity. The community solar program delivers electricity from community solar projects to low- and moderate-income communities so that they can benefit from the lower cost of power. The Board of Public Utilities (BPU) is planning to allocate 1,125 megawatts of community solar capacity through 2026, guaranteeing the market capacity that is needed to serve more New Jersey residents and showing that they are taking the scale-up seriously. The solar sector is currently encountering long delays in the supply chain and in winning approval to interconnections with the regional power grid, according to Fred DeSantis, executive director of the New Jersey Solar Energy Coalition.

With the market expanding, private businesses across the state are adding solar panels in order to generate renewable energy. In November, solar panels were beginning to be installed on Endurance Real Estate Group warehouses in Mount Laurel that will generate nearly 2.2 megawatts (DC) of clean renewable energy to the community. The addition of solar panels benefits residents, businesses and educational institutions in the areas in which they are built.

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UPDATE: NATURAL GAS

PENNEAST ABANDONS PIPELINE PROJECT

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Shortly after we reported in the last Energy Examiner that the PennEast Pipeline Co. would be halting production of its 116-mile natural gas pipeline, the company announced it would be abandoning the project altogether after years of protest. Just months before, the company won approval through the Supreme Court to seize and build on public lands in New Jersey. Many have called into question the environmental impacts of natural gas, though despite this, in early December, the Assembly Telecommunications and Utility Committee released a bill that would require the state Board of Public Utilities to establish a program to promote renewable natural gas. Gas utilities in the state are exploring using "renewable natural gas" or hydrogen to heat homes in the future as natural gas is phased out. Environmentalists are concerned this bill would provide a handout to natural gas companies to build out the natural gas infrastructure to use more fossil fuels. We will keep an eye on these updates.

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UPDATE: FOSSIL FUELS

FOSSIL FUEL INVESTMENTS; NEW METHANE MONITORING PROGRAM; HEATING SYSTEM DEBATE

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As the oil and gas industry faces disruption amid rising prices and climate change efforts, private equity firms are stepping in with billions in investments. Many oil companies have begun shedding some of their dirtiest assets, allowing them to be purchased by private firms. Investors are taking advantage of an industry facing heat from environmental groups, courts, and even their own shareholders to move from fossil fuels. According to the New York Times, private equity firms have emerged as an increasingly powerful and secretive investment force in recent decades, assembling vast pools of money from wealthy or institutional investors in order to invest directly in companies, often those in distress and unable to raise capital in more traditional ways. They report that because these firms are not required to disclose detailed information, it can be difficult to get a full view of their holdings or their climate or environmental practices. This allows investors to transfer those assets and their emissions and other environmental hazards, further from the public eye. As a result, some of the country's largest emitters of methane are oil and gas producers backed by relatively little-known investment firms.

However, there are some national efforts to combat methane production. President Biden announced at the Glasgow Climate Summit plans to strengthen U.S. methane rules. The Environmental Protection Agency (EPA) will begin regulating methane at existing wells nationwide for the first time, requiring a million new and existing wells to come under EPA regulation with even stricter requirements for new wells. This monitoring program will require a new and comprehensive monitoring program to find and fix leaks in wells, pipes, and storage tanks. It will cost the oil-and-gas industry $1.5 billion by 2026 to comply with the new EPA regulations, but that amount would drop to $1 billion by 2032, according to the EPA and is expected to cut methane emissions by 74% by 2030. In late December, the EPA released final new fuel efficiency standards for passenger cars and light-duty trucks. Auto manufacturers must meet an average of 55 miles a gallon for cars and light trucks by model year 2026, up from the 43-miles-per-gallon standard set by the Trump Administration for that year. Vehicles that are model years 2023 to 2026 must reduce their greenhouse gas emissions between 5% and 10% each year. The tougher rules will save U.S. drivers in fuel costs through 2050, but will also limit automakers' flexibility in how they account for their fleets' emissions, making compliance more difficult for auto manufacturers.

Additionally, the world's most popular motorsport, Formula 1, has announced that its next generation of engines, set to hit the track in 2025, will be powered by a 100% sustainable fuel that F1 hopes to become available for mainstream use. There are a few potential sources that they are testing out in order to match current energy density of gasoline that is currently used in F1 allowing performance to remain unaffected. One option is carbon capture, which catches carbon dioxide at its emission source for storage or reuse. Another option could also come from municipal waste or non-food biomass such as algae or agricultural waste. Either way, this would prohibit vehicles from creating any new carbon dioxide emissions in the atmosphere, and would rather use current amounts. F1 expects the new fuel to achieve greenhouse-gas-emissions savings of at least 65 percent, compared to traditional gasoline.

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Insurance Changes for Old Underground Tanks/ Pollution in Financial Times
By: Steve Dana

Bob Dylan wrote a song in 1963 called The Times They Are a-Changin.' That song title couldn't be truer in today's world - with the digital age upon us, global events can hit our smart phones, our iPads, our smart TVs, and of course our computers, within minutes. And while it seemed years ago that one had to be at a desk to use a computer, many now do much of their business on their cell phone.

Also, you've all heard of Geico, Progressive, and State Farm because of their advertising. Most pollution insurance companies are just as large - they just don't advertise. However, insurance companies share the same goals as every other business – show a profit or, in the case of insurance, control the losses. Insurance companies need to manage relationships like every other business.

In October, the EPA asked for information to help owners of aging underground tanks understand their options for renewing their Tank Insurance. Readers of *On The Road* over the past 15 years have seen several articles from Eric and me mentioning old tanks and their future. Fast forward to today - very few companies want to provide insurance for single wall tanks that are 25 years or older. Double wall tanks 25 years and older do better for insurance most of the time.

Here's the point - The new challenge for owners of older tanks is maintaining good financial standing within your business. As tanks age past 30, the insurance companies that cover them raise the deductibles from $25,000 to $50,000, even $100,000 to $250,000. When this happens, the business must be able to pass a financial review for the amount of the deductible. If you cannot pass, a letter of credit from a bank may be a last resort to closing the tanks. Sound crazy? Counter-intuitive? It is. That's why the EPA is asking questions.

If you cannot afford to replace the tanks – renewing your insurance should be a top priority. While financial related conditions have changed, most of the testing requirements remain the same; they follow the DEP regulations. Make certain your testing records are up-to-date; work with an accountant for your Financials or have a profitable IRS tax return; and make sure any tank system failed tests or equipment repairs are taken care of timely. These three items will give you the best chance at maintaining your insurance for as long as possible.

(Editor's Note: Since 1993, DANA Insurance and Risk Management has insured thousands of underground tanks throughout the US. They have been an active NJGCA supporter for many years and the Member Benefit Partner of Storage Tank Insurance for NJGCA members).

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EMPLOYEE RETENTION CREDIT
(You may be leaving money on the table)

By: Scott Seidman

As you may be aware, the Employee Retention Credit (ERC) was first made available with the CARES Act back in March of 2020. However, I have realized that what actually made the headlines was the Paycheck Protection Program (PPP), as that was the program most everyone embraced. The ERC was barely noticed. Yet, once one understands the simplicity of this program, and how substantial the tax credits can be, the ERC is really the diamond-in-the-ruff. Heartland clients taking advantage of this program have seen an average of $85,000.00 in IRS Tax credits! The purpose of this discussion therefore will be to help our members understand the details and substantial benefits of the program.

As a result of legislation that was enacted on December 27, 2020 and revised on March 11, 2021, there were changes made that enhanced the ERC. Specifically, although the ERC was previously available only until the end of 2020, the new law extended its availability for wages paid through the end of 2021.

Below I have summarized the details of what could represent sizable tax refunds to your company.

ERC: The refund for 2020 is max $5,000 per employee, (calculated as 50% of their first $10,000 in eligible wages.) and is applied toward your Fed Tax Liability. PPP wages used for 1st draw forgiveness are not eligible wages for the calculation of the refund, but the excess wages are. The IRS has indicated it will take 8-12 months to receive the refunds.

ERC: The refund for 2021 is 70% of $10,000 eligible wages per employee per quarter. Max credit $7,000 per employee per quarter ($28,000 annually per employee) and is applied toward your Fed Tax Liability. PPP wages for 2nd draw are ineligible for the ERC calculation, but the excess wages are.

To be eligible for the credit you need to meet only **ONE** of the following:

- Business operations were partially restricted or totally shut down due to the Coronavirus OR
- Gross receipts are less than 80% when compared to the same quarter of 2019 (for 2021) OR
- Gross receipts are less than 50% when compared to the same quarter of 2019 (for 2020)

There are two ways an employer can claim tax refunds for payrolls that have not yet been processed in 2021:

1. Claim the refund on the quarterly 941 tax return, if that return has not yet been filed...OR
2. Heartland will process your payrolls, and refund your tax credits within 7-10 days. The credit will then be reflected by us when we file the return. This will be much faster.

In order to take advantage of tax refunds for 2020 and 2021 for quarters in which payroll tax returns have been filed, employers need to file amended quarterly 941 tax returns. As long as a new client is signed with Heartland (no payrolls need to have even been processed, we will gladly file amended returns for the prior quarters ($250.00 per quarter).

The beauty of this program is that very little paperwork is required as opposed to the PPP loan forgiveness program. Prospective clients should consult with their CPA to determine eligibility. These qualifications may have slight variations based on the quarter in which the credit is being claimed due to changes in the legislation. Then Heartland will review what information they need from you.

For those of you who are interested on getting the process rolling, please reach out to me either on my cell at 908-334-4778, or through email at scott.seidman@e-hps.com.
I hope you find this helpful!

Disruptions Coming To Your Business

By: Michelle Horowitz Jackson

ROBOTICS

Along the lines of creative solutions to the national labor shortage and frictionless payments, Kroger has opened a "ghost grocery store" in Florida, consisting of a large warehouse (the size of eight football fields) operated by robots and uses delivery drivers that drop off online orders at people's doors. Kroger hopes to capitalize on the e-commerce side of grocery, which largely increased during the pandemic and has not decreased since its start. Kroger also announced plans this fall to build a shed to serve customers in New York, New Jersey and Connecticut for the first time, and more sheds to come.

Companies in the U.S. ordered a record 29,000 robots in the first nine months of 2021 as a solution to a severe shortage of staff. According to data from the Association for Advancing Automation (A3), this year's robot sales beat the previous record in 2017, when sales hit $1.47 billion. The Association also estimates companies in North America ordered nearly 10,000 robots in the third quarter of this year, up 32% from 2020, with sales amounting to $513 million, a rise of 35%.

FRICTIONLESS PAYMENTS

As the pandemic continues, many more customers than ever before are opting for purchasing experiences that do not require, or require very limited human interaction. From phone apps, to walk-in/walk-out technology and skipping checkout lines, retailers are exploring new frictionless ways to provide customer service. According to a recent survey, ninety percent of people used unattended retail as much as they had prior to the pandemic or more during the pandemic. This may include vending machines (redesigned or high-tech ones that can take cards or phone payments) or grab-and-go services such as those used in Amazon Go stores. Survey respondents who reported increasing their unattended retail usage cited speed, social distancing, and convenience. It is clear the pandemic has disrupted the industry to the point where these are new requirements that customers demand.

WaWa remains a huge disruptor to c-stores as they are able to listen to customer demands and respond. They have added several services in response to customer's increasing frictionless demands mentioned above. Wawa has added self-checkouts to 61 stores and continues to install them in other stores, including any new stores being built, allowing lines to move quicker. Self-checkout lanes also allow employees to redirect their duties to help stock shelves, work with customers or clean the store. The convenience store also accelerated adding drive-thrus and drive-up delivery to stores during the pandemic, and has highlighted the need for stores to adapt to changing environments in order to succeed.

Other frictionless technologies that have adopted during the pandemic may be easily translated over to our industries. Walmart has created Walmart GoLocal, a new business that allows the company to deliver goods to customers and businesses of all sizes. The company uses its existing delivery network, including drones, autonomous vehicles and market fulfillment centers to execute delivery capabilities for nearly seventy percent of the US population and growing. Two grocery stores in New York are participating in a smart shopping cart pilot program. Carts outfitted with a touchscreen, a legal-for-trade weighing system for bulk items, a video camera that recognizes each item in the cart, an anti-fraud weighing system and a barcode scanner allows customers to gather products and pay for them in-cart without ever even having to wait in line. Vroom Delivery, an e-commerce company designed specifically for convenience stores has partnered with Skipcart to allow c-stores to automatically route orders between multiple third-party delivery services on an order-by-order basis based on cost, speed and serviceability. Based on the delivery location and driver network availability, Vroom can recommend the best third-party service, or stores can choose to deliver some orders with their own drivers. Retailers may also utilize Vroom's proprietary driver app in order to allow delivery services in their stores.

AUTONOMOUS VEHICLES

Self-driving cars becoming the norm on New Jersey streets may still be years away due to controversy and over-hyped expectations. Self-driving tech is not able to reliably handle the variety of situations human drivers encounter each day. At the moment, Tesla only offers a simpler autonomy designed solely for highway driving. Uber, which previously touted its self-driving advancements and research, has paid another company to acquire its self-driving unit after lawsuits and at least one fatality on Arizona. However, despite the setbacks, many in the field continue to remain hopeful that the technology will advance if they continue the experiment one small achievement at a time. In October, Waymo started the world's first "fully autonomous" taxi service in Phoenix. Anyone can now ride in a minivan with no driver behind the wheel. Waymo is also building a new version of its self-driving technology that it will eventually deploy in other places and other kinds of vehicles, including long-haul trucks. However, the company has no plans to deploy its technology in other parts of the country at the moment. What might seem like a simple task, driving along a stretch of highway to deliver product, or even driving down neighborhood streets to deliver a meal, is actually extremely complicated when adding in human error, weather conditions, and other problem solving skills that at the moment only humans can navigate. It is clear the tech giants are not giving up on this technology, though the days of taking a nap in our cars while they commute to the office for us may still be years away.

Along the lines of being hopeful for the future of autonomous vehicles, Governor Newsom of California has signed legislation mandating that beginning in 2030, all light-duty autonomous vehicles in the state produce zero emissions. The move by Newsom ensures that future autonomous fleets won't use conventional engines or hybrids. While the average driver owning an autonomous vehicle is still years away, autonomous delivery vehicles continue to launch in the marketplace. This legislation will uphold the Governors legislation signed last year which ends the sale of new cars and trucks powered by gasoline or diesel by 2035 to promote zero-emission vehicles.

TIKTOK

The latest craze in social media, the video sharing website/phone app TikTok, is currently being utilized by clever retailers for several business needs. According to Gizmodo, TikTok is the most popular website in the world, surpassing Google and Amazon and rising from the No. 7 spot in 2020. If you or someone on your staff has any creativity, you may want to think about adding TikTok to your social media repertoire. Want to advertise a new product or service that your business is offering? Consider using TikTok to engage with customers instead of customers quickly scrolling or exiting out of your advertisement. The website is also being used to recruit employees during this prolonged national labor shortage. Using the hashtag #TikTokResumes in their caption, users can upload their career goals to the app WWE, Shopify, Target and Chipotle are among the companies using the websites pilot program, which allows candidates to upload video resumes to the platform. You could use the app and upload a video searching for cashiers, auto techs, or other positions needed.

$ave TODAY with NJGCA Member Benefit Partners!

THE NJGCA MEMBER BENEFIT PARTNER PROGRAM

NJGCA has been working hard to bring you and your business value through our Member Benefit Partners (MBPs). Hopefully, you are already taking advantage of many money-saving plans offered by our Member Benefit Partners. Our 2022 Member Benefit Partner Brochure will be in mailboxes soon. New MBPs to our program are listed in blue and marked with asterisks below. We are excited about the great opportunities that you have to save money with these partners!

Here is a list of our current MBPs:

ABLE-TECH - *Computers, Financial Management, Video Security Systems*
AFFINITY FEDERAL CREDIT UNION - *Business Banking Services, Financing, Mortgages*
AMATO INSURANCE AGENCY - *Business, Garage Liability, Home and Auto Insurance*
AMERITRUST - *Workers Compensation Insurance (formerly Meadowbrook Insurance Group)*
ASSOCIATION MEMBER TRUST (AMT) - *Health Coverage*
ATS ENVIRONMENTAL SERVICES - *Tank & Vapor Testing, NJDEP Compliance*
AUTOPART INTERNATIONAL - *Premium Parts Supplier*
AUTOMOTIVE TRAINING INSTITUTE (ATI) - *Education for a More Profitable Business*
AUTOZONE - *Auto Parts Supplier*
BELLOMO FUELS - *Gasoline and Diesel Supplier*
BOULDER PETROLEUM - *Compliance UST, Vapor Recovery Testing, Pump Calibration*
BRENNAN LAW - *Environmental, Petroleum and Real Estate Law Specialists*
BUYWISE AUTO PARTS - *Auto Parts Supplier*
*CANARY COMPLIANCE - *Remote Tank Monitoring Technology*
CASHA & CASHA LLC. - *Legal Services*
CBIZ INSURANCE - *Business, Garage Liability, Home and Auto Insurance*
C-3 TECHNOLOGIES - *Tank and Vapor Testing, NJDEP Compliance*
cbdelight - *Convenience Store Distributor & Manufacturer*
CHIESA SHAHINIAN & GIANTOMASI PC - *Legal Services*
COLE, SCHOTZ, MEISEL, FORMAN & LEONARD - *Legal Services*
CONSUMERS OIL CORP. - *Gasoline and Diesel Supplier*
CROMPCO - *Tank & Vapor Testing, NJDEP Compliance*
DANA TANK INSURANCE SPECIALISTS - *Underground Storage Tank Insurance*
DANA AUTOMOTIVE - *Auto Parts Supplier*
ENERGY MARKETING PARTNERS, INC. - *Gasoline and Diesel Supplier*
ENVIRONMENTAL ALLIANCE, INC. - *Environmental Remediation & LSRP Services*
FREEWIRE - *Electric Vehicle Charging*
GILL ENERGY - *Gasoline and Diesel Supplier*
HAROLD LEVINSON ASSOCIATES - *Convenience Store Distributor*
HEARTLAND PAYROLL - *Business Payroll Services*
HOUGH PETROLEUM - *Gasoline, Diesel, Motor Oil & Lubricants Supplier*
HOROWITZ LAW GROUP - *Legal Services*
KEARNY BANK - *Commercial Financing*
LAW OFFICES OF KENNETH L. BAUM - *Legal Services*
LIBERTY / EWING OIL - *Gasoline and Diesel Suppliers*
LISKO ENVIRONMENTAL - *Environmental Remediation & LSRP Services*
LOEFFELS'S WASTE OIL SERVICE - *Waste Oil Removal*
MARC LAW - *Legal Services*
MERCHANT PRO EXPRESS - *Credit Card Processing & Consulting*
MITCHELL1 - *Shop Management System, OEM Information*
MURPHY BUSINESS - *New Jersey Business Sales*
OIL DRI - *Spill Containment and Shop Supplies*
P.F.I. INC. / NORTHWEST PETROLEUM - *Gasoline and Diesel Supplier*
PEAK ENVIRONMENTAL - *Environmental Remediation & LSRP Services*
PRESTIGE ENVIRONMENTAL - *Environmental Remediation & LSRP Services*
PRIME LUBE, INC. - *Motor Oil and Lubricant Suppliers*
*PROIMAGE - *Apparel & Promotions*
QUICK & FRESH - *Convenience Store Distributor*
SALOMONE BROTHERS, INC - *Tank and Pump Replacement, Compliance Testing*
SERVICE STATION VENDING EQUIPMENT - *Service Station Vending, Air & Vacuum Systems*
SPARK CONTRACTORS - *Tank and Pump Replacement*
SOUND PAYMENTS - *EMV Compliance*
T&R OIL CO. - *Gasoline and Diesel Suppliers*
TMP ENERGY SOLUTIONS - *Discounted Electricity and Natural Gas*
TRINITY SOLAR - *Solar and Generator Power*

NJ GCA
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