The 2013 Year in Review

2014 Lame Duck in NJ
- Extensive network of company/dealer operations
- Rack supply contracts with Sunoco, BP, ExxonMobil and 76
- Lowest prices on unbranded fuel
- Equipment purchase programs
- Provide maintenance, station upgrade, environmental and financing support
- Engineering and Zoning Assistance for new sites

Gill Energy
732-696-2201
www.gillenergy.com
Message from the Executive Director

Important Email Communications Message

US DOL Q&A with Joe Petrecca

Pricing Gasoline Below $3.00 in NJ

Membership Memo

2013: The Year in Gas Prices

Legislative Issue Update

The Affordable Care Act - Off and Running

Political Year in Review

Counsel Corner: Achieving ADA Compliance

Spotlight on Two New NJGCA MBPS!

$ave with our Member Benefit Partners!

N.J. DEP & UST Update

Stepping Up: Political Involvement & YOU

A Small Business Owner’s Thoughts on the Minimum Wage

Legislator Spotlight - Senator Nia Gill

ObamaCare: Theory Becomes Reality

Member Spotlight: Gill Energy and Creative Management, Inc.

Energy Examiner

Counsel Corner: Documenting Immigrant Employees
Message From Executive Director Sal Risalvato

What is a Lame Duck?

The quarterly On The Road newsletter is a collaborative effort of the entire NJGCA staff. Some issues may have more content from a particular staff member than another, but that may change in subsequent issues. Each staff member has particular areas of expertise and therefore they are tasked with coordinating articles that they are more familiar with.

Every issue begins the same way. A meeting is scheduled several months in advance of the date that the next publication is set to arrive in your mailbox. Topics that are current are discussed, and assignments are made. Issues affecting your business are always a constant section and an update is prepared. Many times, events change the course of these issues after updates are edited and sent to the printer.

Each issue of the OTR always has a unique front cover that depicts either a theme of that publication or an issue that is highlighted inside. I rarely, if ever, contribute to the ideas or design of the front cover. In fact, it is usually presented to me as a surprise during the proofreading phase, just before it is sent to the printer. Only once did I reject what was presented to me and had the staff go back to the drawing board.

Proofreading is another matter. It seems that no matter how much we proofread, there are always one or two dumb mistakes that scream at me once I have the final printed version in my hands.

The January 2014 front cover of the OTR was crafted at my suggestion, and I even participated in selecting the graphics. The term “Lame Duck” is used often in the media and also by me when I write you with weekly updates. I realize that many of you may not know what “Lame Duck” means, as it pertains to either a Legislature, a Governor or President.

Since we just experienced a “Lame Duck” Legislature (by the time this is in your mailbox the “Lame Duck” session will have been completed), I thought it would be appropriate to explain the significance of it.

Lame Duck occurs when an election has passed and the terms of present legislators are about to expire. The 215th NJ Legislature expired on January 14th at noon, as per the NJ State Constitution. The 216th NJ Legislature, which was elected last November, was sworn in at that time. But what about all of the bills that were never voted on, and all of the unfinished business? Well that’s why “Lame Duck” is important.

The period of time after an election, and before a new class of legislators is sworn, is when legislation that might not otherwise have passed is voted upon. There is also a scramble to pass legislation that likely would have passed regardless of which Legislature voted. It is an opportunity for unpopular legislation to pass because outgoing legislators that may be retiring or were defeated in their election can then be blamed for its passage and the new class of legislators won’t have their fingerprints on it.

There are several contentious pieces of legislation affecting your business that were on the “Lame Duck” agenda mandatory paid sick leave is one of these issues. Even if this bill was not passed in Lame Duck, it will be a threat in the new legislature. At the time that I am writing this, I don’t know if it will have passed before the January 14th deadline.

There are several important bills being considered that also affect NJGCA members. For years, NJGCA has fought to outlaw the practice of Zone Pricing. At the time of this writing, we were anxiously waiting for this law to be voted on by both the Assembly and the Senate. I closely monitored the Lame Duck session, but once again, at the time I wrote this article, I couldn’t know the outcome.

Another issue that has already been voted on by the Lame Duck Assembly is Right to Repair. This is a highly contentious issue between Independent Repair Shops and the New Car Manufacturers. We reported to you last month that Right to Repair passed in the Assembly, but it is highly unlikely that there will be any action in the Senate during the short Lame Duck period. This means that the bill will be reintroduced immediately upon the convening of the new Legislature and it will begin another two-year life cycle. Hopefully we will not need the full two years to bring this law to fruition.

The Lame Duck this year is in Trenton. Next November, we will be electing new representatives in Washington. Since they too will not be sworn in until January 2015, they will also be considered “Lame Ducks.” And when Governor Christie’s term ends in 2018, he too will be considered a Lame Duck in the final months of his tenure, as will President Obama in 2016.

The regular business of the new Legislature has begun. NJGCA plans to be an active participant by voicing opposition to harmful legislation, and voicing support for legislation that will help your business. We won’t have to deal with any Lame Ducks in Trenton for another two years.

On a final note, I am asking that you pay special attention to the Communications Message on the next page titled “Email Overload”.

Thanks.
Email Inbox Overload?

We are placing this notice at the front of the OTR, in the hopes that it will get your attention! We have received some troubling evidence recently that members are not receiving, or not reading, the emails that we send.

It is not unusual for people to receive lots of emails from various vendors, interest groups and, of course, numerous silly jokes from friends. Since 2007, when NJGCA began sending weekly Road Warrior emails to members, we have been extremely sensitive to this fact. As a result, we adopted a policy to send only ONE email per week with the latest updates that we think you should be aware of. Exceptions to this rule occur whenever an important or urgent matter is at hand and requires your immediate attention, such as when we send Wildfire Alert emails or Events and Announcements.

As consumers, we frequently make online purchases, and we are all subject to the bombardment of promotional emails that begin arriving immediately after making a purchase from Macy’s or Amazon. It’s become customary for this email bombardment to cause a reaction of “...delete...delete...delete...”

However, it is critical that you take the time to read the emails that are sent by NJGCA. The subject line of an NJGCA email should help you determine if there is anything of interest to you. It is also important that you read them as soon as possible, since the information contained within may be useful today, but not tomorrow.

It’s all too common for members to call the office after encountering enforcement problems that would have been avoided had they read the messages that were sent from headquarters. Many times the horse has left the barn and it is too late to remedy a situation.

Even though a communication may be lengthy at times, you really need to set aside five minutes to read what we have written.

NJGCA works hard to keep you informed, but if you do not read the communications that are sent, then our hard work is wasted. This will become more pronounced as we are entering a phase of sending email surveys to you that ask for your opinion, or for information needed to support the advocacy that we do for you.

We have also encountered email delivery problems. It is the nature of mass emails that some email hosts, or email servers, and even Internet Service Providers, block emails that they sometimes determine to be spam. Some days they allow a mass email to be delivered, and on other days a filter or a glitch may block a mass email from the same sender. We have found the biggest problems to be with those members who have AOL email addresses.

Some members may not recognize that there is a problem because they regularly receive emails from individual staff members at NJGCA. However, email hosts treat those communications very differently than email blasts (such as the Road Warrior), which go out to thousands of email addresses at a time.

We need to hear from you if you do not receive a Road Warrior email from NJGCA EVERY week. They are usually sent on Thursday nights and should be waiting in your inbox by Friday morning. You should be concerned if you are not regularly receiving our communications! Plus, this is a Members Only benefit -- your yearly membership dues allow you to access the critical information that we send. Please take advantage of the important resources and information that NJGCA consistently provides to our members.

If you are not receiving an email from NJGCA at least once a week, it is really important that you contact us either by phone 973-376-0066 or email jacy@njgca.org. We need your participation to help take NJGCA to new heights and show what this organization is really capable of!
Member questions are submitted to Debbie Hill, the NJGCA Director of Member Services, and then forwarded to Joseph Petrecca of the USDOL. Joe’s answers are published below.

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Member Question: I work for a towing company. I have been working for this employer for more than two years. The other night, I was finishing a tow and dropping off a vehicle. It was dark and there was no light in the area. While backing up, I hit another vehicle in the parking lot. There was no damage to the towing vehicle, but the damage to the other vehicle is $1,600. My employer does not want to put it through his insurance, and said that he has a high deductible ($2,500) so it would not be covered anyway. They want me to pay $50.00 a week for the damage. Is this legal for them to ask of me?

Petrecca: Under the Fair Labor Standards Act, an employer may make a deduction from an employee’s wages provided the deduction is properly shown on the payroll and pay stub and the deduction does not bring the employee below the minimum wage for his hours of work up to 40 in a work week. However, under NJ labor law, deductions from wages are not permitted except in very limited circumstances, of which this example would not be one. Deductions for damages to property or cash shortages or were employee mistakes are not permitted under NJ State law.

Member Question: I recently interviewed a prospective employee. One of the questions that I asked was “How is your credit rating?” The prospective employee told me he had excellent credit. With his permission I pulled a credit report on him. The credit report clearly states that he has very bad credit, and it turns out he was lying to me. I don’t want to hire him. Can I use this for the reason?

Petrecca: I am not in a position to offer hiring advice except to say that under the FLSA the decision to hire or fire an employee is a matter left to the employer. Of course any employer should be cautious about such decisions to ensure that any decision made is based on some rational other than a factor otherwise prohibited by law. For example; hiring or not hiring someone based on discrimination due to the race, creed, religion, national origin, marital status etc., could be a basis for a complaint with the NJ State Division of Civil Rights or the Equal Employment Opportunity Commission (EEOC) or even a private lawsuit.

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Message to NJGCA Members from US DOL

In addition to this month’s Q&A, I added a few paragraphs about a recent event that took place that I think was significant for the industry. Some of you members may have been in attendance but I think other members might have an interest in knowing about it. -- Thank You, Joe Petrecca
In this article, Profit Outdo shares some of their findings on what happened when prices fell below $3.00/gallon in NJ from late October through mid-November. We identified 183 stations that priced below $3.00/gallon at some point during that period. Let’s call them the “aggressive retailers”.

**WHAT KINDS OF STATIONS PRICED BELOW $3?**

This chart shows a breakdown of the types of stations that sold gas below $3.00/gallon for at least 2 days during the period of the study. Stations selling “national gas brands” (Exxon, Shell, BP) were the largest segment of the “Aggressive Retailers.” “Regional chains” (Coastal, Racestar, Pilot, Delta) and C-store brands (Wawa, Quick-Chek) had fewer members (but many sell larger volumes of fuel).

**HOW DID IT HAPPEN?**

During the period of the study, rack prices for regular gasoline in New Jersey dropped to a level that allowed aggressive retailers to sell it below $3.00 per gallon. The chart shows that once rack price went below $2.60 (point A), 5 out of 2,500 stations started selling gas below $3.00/gallon. A few nearby stations matched their prices even as rack climbed to $2.65 (B). When rack prices started falling again, competitors reacted to the price leaders. Very quickly, the number of stations selling gas below $3.00/gallon rose to over 140 by November 13th (point C).

However, rack prices rose steeply starting Nov. 11. Within a few days (point D), $3.00 was less than rack price + taxes. All the stations then returned to pricing regular gas at over $3.00/gallon.

Note that the average number of days that stations priced below $3.00/gallon was just 7 days. In fact, 15% of the stations priced below $3.00 for just 1 day!

**HOW DID NEARBY STATIONS REACT?**

This chart illustrates the average price of the “aggressive retailers” versus the average price of the stations within 3 miles of them. The “aggressive retailers” were priced 10 cents lower than their average neighbors at the start. By the time the aggressive retailers were nearly all selling below $3.00, neighbors also lowered their prices but stayed about 12 cents higher. When rack prices drove everyone back up above $3.00, neighbors narrowed the price difference to less than 8 cents. In net, the aggressive retailers had only a temporary gain, and their neighbors were able to be even more price-competitive when rack prices went back up.
**HOW DID THIS AFFECT PROFITABILITY?**

This chart shows the average margin trends of the “aggressive retailers” (those that priced below $3.00) and the neighboring stations near them. For reference, the dotted line on the chart shows the margin at a price of $2.999 on any given day during the study.

Before any station started pricing below $3.00, the margins were: $0.10/gallon for the aggressive retailers and $0.20/gallon for the nearby stations.

We observed 2 major outcomes:
1. At no time did pricing below $3.00/gallon support a margin of $0.10 (note how the dotted line never reaches the $0.10 line, where the red line starts).
2. Nearby stations that stayed competitive by pricing an average of 10 cents per gallon more were likely to be much better off than the “aggressive retailers.” These stations’ average margins for the study period were higher than they were at the start. Those stations likely lost little volume, because prices remained only a little higher (8 to 12 cents) than the aggressive retailers’ prices throughout the period.

**About the Authors:**
Profit Outdo Corp provides data, analytics and consulting services that gasoline retailers can use to increase profits through better pricing. It collects and analyzes the daily selling prices of fuel in over 100,000 retail locations nationwide, together with the daily rack costs in selected terminals. Our services range from Daily Pricing Surveys and Dashboards of competing stations, to Custom Pricing Study Consulting Engagements, and even Multi-Station Daily Pricing Recommendations Analytics, all designed to improve profitability. ProfitOutdo is now an NJGCA Member Benefits Partner. For more information, contact Debbie or email us at: consulting@ProfitOutdo.com

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**Does Your Service Station Have Environmental Problems?**
*Are You Subject to a Lawsuit or Environmental Cleanup? Has Your Insurance Company Denied Your Environmental Cleanup Claim?*

We have located and enforced the following insurance proceeds on behalf of New Jersey clients:
- $500,000+ to remediate gasoline service stations in New Brunswick and Milltown, New Jersey
- $12,000,000 to pay for cleanup and cost of recovery action for a dry cleaning manufacturer.
- $11,000,000 to pay for cleanup and defense costs associated with the Passaic River litigation.
- $7,750,000 to pay for cleanup costs associated with a defunct manufacturing plant

**Beyond Insurance:** We assist in the remediation and negotiations with State and Federal Agencies and seek reimbursement for our clients against third parties in cost recovery actions.

We are a Member of NJGCA and Provide a Free Initial Consultation to Fellow Association Members

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Hello and Happy New Year to you and your families. I hope your Holidays were awesome and wish you all a “Breathe Easier” 2014. There have been some changes at NJGCA in the past year, some that have been in the hopper for a while and others that were initiated by the members. Here’s what’s happened.

2013 REVIEW:

• MEMBERSHIP: We have experienced a slight increase in membership. This is a result of a collective effort from our newly formed Membership Committee, the NJGCA staff and you, the members. I’ve received calls from members saying “hey, what’s-your-name, send me an application and I’ll get some members.” This is awesome and is exactly the mind-set we need to build our strength in numbers. Thank you to those that have stepped up!

• MEMBERSHIP FAIRNESS DOCTRINE: Last April Sal implemented a new policy that requires all businesses that call NJGCA headquarters to be members before any assistance is given. Members who have previously dropped membership leaving YOU to pay the bills have been required to re-join and pay all dues that are in arrears. Members who ask for assistance with multiple sites receive assistance only for the sites that are registered and pay annual dues. The Fairness Doctrine is what’s fair to those members who support NJGCA to keep us strong. Many seeking assistance have joined.

• MEMBER BENEFIT PARTNERS: In an effort to expand our services to the membership and supply you with approved vendors, NJGCA has made many additions to our Member Benefit Partners Program. They are listed in this and all future issues of the OTR newsletter and also on the NJGCA website. Look for our new MBP brochure that is expected to be updated annually. We are also hoping to implement a customer survey so that we can gauge the level of satisfaction that NJGCA members have had patronizing the vendors in the MBP program.

• WEBSITE IMPROVEMENTS: We are still excited about the NJGCA website and what it has to offer you. Please take the time to visit the site. If you have NOT received an email from groupsafe@njgca.net with your member number and password in you inbox, check your spam/junk mail around October 10-18th. If nothing, please email greg@njgca.org with “Need Web Info” in the subject line and I will hook you up. We have a special Members Dashboard that is only for NJGCA Members. We urge you to login and update your member record so we can have accurate information on your business. You can now pay your dues online, have other owners join NJGCA online and pay for NJGCA sponsored events such as training classes and Member Benefit Partner events. We also have an amazing new Legislative Action Center that makes it incredibly easy to contact your legislators.

• DUES PAYMENT OPTIONS: The newest dues payment option that members requested earlier last year was implemented over the summer: The Automatic Bank Draft payment option. You now have the option of having your dues automatically debited from your bank account monthly, quarterly, semi-annually, or annually. This will take the “oops” out of membership renewal.

2014 COMING UP:

• AUTOMATIC DUES RENEWAL POLICY: The AMT Health Care benefit is popular among many members. As you all know it is required by the State of New Jersey that you must be a current member of NJGCA to be enrolled in the AMT program. The challenge is that many members are not renewing on time, causing an enormous increase in administrative efforts to get dues paid before AMT has to send a termination letter. To avoid this, NJGCA is establishing a policy that will require all AMT participants to be on automatic billing via credit card or automatic bank draft using the payment option of their choice (annual, semi-annual, quarterly or monthly). I have missed some aggressive target dates to implement this new policy, however it will take place in 2014 and I will keep all of you informed. This new policy will also include members in the Workers Compensation and Liability programs.

• NEW MEMBERSHIP DUES BILLING PROCEDURE: NJGCA will be implementing a new billing procedure this year. It is a significant project but when completed will make the renewal process easier and clearer. Instead of receiving a Renewal Notice as you have in the past, you will receive an Invoice for 1 year of membership. You will have the option of how often to pay that invoice (annually, semi-annually, quarterly, or monthly). If you choose to pay monthly you will be on the automatic renewal program. Otherwise you will receive a statement of balance owed just like any other bill you receive. By integrating the renewal process with our accounting system I believe it will benefit everyone concerned. I will keep you all informed as the transition draws closer.

• WHAT YOU CAN DO: Get involved. Check out the website, enroll in our classes, attend our events, UPDATE YOUR MEMBER RECORD, and look into the Member benefit Partner Programs we have established to help you save money. I believe we’ve had a great year in terms of accomplishing things our members have requested. This year we’re going to continue that trend and bring back regional meetings so we can get together, hang out and talk for a while and keep on making your Association bigger and better!

Thanks for taking the time, have a great year and be well.

Cheers!

Greg
2013: The Year in Gas Prices

By Eric Blomgren

2013 was the first of the last five years that we actually saw the average rack price of gas be less than what it was the year before. In 2013, the average price for regular gas at the rack, plus tax, was $3.19 a gallon. In 2012, it was a record high of $3.32, and 2011’s price was effectively the same as this year’s, at $3.20 per gallon.

This year, the gap between the highest average monthly price and lowest was 45 cents, almost identical to the gap from last year. In 2011 and 2012, the month that saw the highest price was April, but this year it was February, when prices averaged $3.43 a gallon. Like last year, there were two noticeable and sustained spikes in prices. This year, they occurred in January and February and again in July and August. Last year, they came in March and April and August and September. 2011 saw largely the same trend, meaning that there is a good chance that we see prices shoot up early this year, start to come down sometime in the spring, and then increase again in the mid-to-late summer before settling down in the fall.

This year we were blessed with something we thought we may never see again: gas prices below $3.00 a gallon. The average price for regular gas, including taxes, in October this year was $2.98 a gallon; the first time the average price for an entire month was below $3.00 a gallon since February 2011.

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<thead>
<tr>
<th></th>
<th>Average Rack Price + Tax</th>
<th>Change from Previous Month</th>
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<tbody>
<tr>
<td>January</td>
<td>$3.22</td>
<td>$0.09</td>
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<tr>
<td>February</td>
<td>$3.43</td>
<td>$0.21</td>
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<tr>
<td>March</td>
<td>$3.32</td>
<td>-0.11</td>
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<td>April</td>
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<tr>
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<td>$3.18</td>
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<td>July</td>
<td>$3.30</td>
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<td>August</td>
<td>$3.27</td>
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<td>September</td>
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<td>$3.01</td>
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<tr>
<td>December</td>
<td>$3.12</td>
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</tbody>
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Please see the updates below for the most recent activity in Trenton and around the state. These issues are important to all NJGCA members!

ZONE PRICING

On December 12th the Senate Commerce Committee passed S-2856/A-2729, sponsored by Senators Cardinale (R-Bergen) and Sarlo (D-Bergen). The bill has now made it through all the committees it needs to in this session. We hope it will be voted on by both houses soon, and signed by the Governor not long after.

There has been some confusion lately about the issue and a whole lot of misinformation being spread. Some (mainly a few big oil companies) are going around saying that if this bill becomes law then stations on the lower end of the zones will be worse off because their prices will go up and they won’t be able to compete. The fact is that is not how it will work. There are hundreds of stations in this state who are on the losing end of zone pricing who are being charge 30 cents per gallon over rack, making it impossible for them to do business. Even the stations that we have seen who have the lower DTWs are still stuck paying more than stations using formula based pricing. Anytime the health of your business has to rely on the generosity of an oil company or mega-distributor, you’re in a very bad position. If you’re really afraid that no zone pricing might hurt your business, we challenge you to talk to literally any one of the hundreds of business owners who purchased their stations from Exxon and Shell. They used to live under zone pricing and now they have formula based pricing.

GENERATOR PROGRAM

In late October Governor Christie announced a new grant program for gas retailers to install generators and generator hookups. The program comes as a result of funding from FEMA and will only apply to a few gas stations preselected based on objective criteria determined solely by the Administration. The stations eligible for the grants will be notified by the Economic Development Authority (EDA) and be given a window to apply for the grant through March 4, 2014. By the time you’re reading this, those notifications should have been sent out. The criteria they used were that the station must have a capacity of at least 30,000 gallons of fuel storage, must be located within a quarter mile of a state evacuation route, and must sell both gas and diesel. Stations with a capacity between thirty and thirty five thousand gallons are eligible for up to $15,000 to install generator hookups. Stations which meet the criteria and are interested in a grant, email Sal@njgca.org with the following information about your location: the street address, what your storage capacity is, if you sell diesel, and what and how close the nearest highways are.

STAGE II VAPOR RECOVERY

Every NJGCA member was emailed an invitation to take part in an important survey the NJDEP has asked us to compile which will be carrying a lot of weight in their decision whether or not to eliminate Stage II in New Jersey. As you probably know, many of our neighboring states are doing away with the costly Stage II requirements. NJDEP, however, has been slow in their determination about whether or not to eliminate Stage II. The issue appears to be that in most states nearly all stations use vacuum assist vapor recovery systems. These systems conflict with the Onboard Refueling Vapor Recovery (ORVR) systems modern vehicles have, and actually will hurt the environment when used together. In NJ, however, a large portion of retailers use balance-assist vapor recovery, which don’t conflict with ORVR. DEP is trying to determine how much gasoline throughput there is for each type of system, and that is why they have asked us to help them put together a survey. Head to www.njgca.org to find and complete the survey if you haven’t already. A link is located on the homepage. Call NJGCA Headquarters if you need assistance.

SELF SERVE

Historically, the last time this issue was discussed in the early 1980s, NJGCA defended the state’s ban on customers pumping their own gasoline. However, as the marketplace has changed dramatically over the last several years, and members have asked about it, NJGCA will be surveying members to determine if a change in its position is warranted. Several legislators have indicated that they are interested in changing NJ’s ban on self-serve. Look for a survey in your email that will be sent ONLY to NJGCA members, asking them to give their position in favor or opposed to allowing customers to pump their own gas. If you have not yet received your survey, or you have questions about the survey, please email eric@njgca.org.
RIGHT TO REPAIR

Right to Repair has seen some substantial progress, particularly in Massachusetts. After MA passed Right to Repair in the Legislature AND by ballot initiative, there was some confusion about which set of standards would be the law, since they conflicted in various ways. After almost a full year of backroom wrangling, the different sides of the issue have come together in agreement on a final compromise bill that was signed into law in late November. This bill finally establishes America’s 1st fully formed motor vehicle right to repair law. We believe that the framework of this language will be used to draft a national memorandum of understanding that will apply to motor vehicles in the other 49 states, including NJ.

The final version included coverage for heavy duty trucks of over 14,000 pounds, but did not include motorcycles. It states that for vehicles MY 2002 and newer the manufacturers must make available for purchase all repair diagnostic information it makes available to its dealers. MY 2018 and newer vehicles will need to be built in a way that allows independent repairers to access the vehicles’ diagnostic and repair info using a regular personal computer.

NJGCA continues to push for Right to Repair to be passed in NJ. In December, the General Assembly passed a version of Right to Repair similar to the Massachusetts Law. It passed with bipartisan support, 58-15-6. It is unlikely this bill will pass the Senate in the lame duck session, but it was a strong warning to the manufacturers to act soon or else we will. They’ve made it clear they only want one nationwide standard and don’t want to risk New Jersey implementing a different standard. Even if they do enact a national memorandum of understanding that implements right to repair, there would be nothing to stop them from changing it or going back on it in a few years. NJGCA believes passage of this law is the only way to guarantee that independent repairers will have access to the technical information needed to repair their customer’s cars.

PAID SICK LEAVE MANDATE

As reported in the last edition of the OTR, the threat of mandatory paid sick leave continues to pick up steam. While it seems unlikely the very disruptive version of this proposal in the Legislature (A-4125/S-2866) will come up in the lame duck session, it does seem increasingly likely that it will be an issue for next year. A-4125 would require that every employee in the state, including part-time and hourly workers, be given paid sick leave in the amount of one hour of paid leave for every 30 hours worked. Workers would be able to use this time if they are sick or if a relative is sick and they must care for them. Every business would be affected, no matter how few employees it has. A similar, but slightly more business friendly version was passed in Jersey City, and Newark looks on track to follow suit. As this issue heats up, we will need your help to block it.

BRAKE LIGHT REPAIR BILL

Under current law, passenger vehicles in New Jersey are only legally required to have two functioning brake lights in order to be considered ‘road safe’. This is despite the fact that almost all modern vehicles have a third, high mounted brake light. Since the elimination of safety inspections three years ago, auto repairers have witnessed that many motorists have neglected to keep their vehicles repaired and maintained in proper working order. This bill will legally require that motorists keep this third brake light working. If they don’t, they can be pulled over and ticketed. The bill has now passed the Senate and Assembly near-unanimously; we expect the Governor will sign it into law soon. Hopefully, the threat of fines will encourage more motorists to get their vehicles maintained.

TAX CREDITS FOR SAFETY INSPECTION EQUIPMENT

Asm. Craig Coughlin (D-Middlesex) has taken the initiative on behalf of many of the state’s auto repairers who have felt (justifiably) cheated by the state’s decision to eliminate safety inspections. His bill, A-4502, would provide tax credits equal to 100% of the cost of any equipment used exclusively to conduct safety inspections and was purchased before August 1, 2010. Given the fact that the state continues to have budget problems, the odds of this bill actually becoming law are not great, but it is rewarding to know that the damage done by the elimination of safety inspections has not been forgotten. In fact, this bill came about because one of the Assemblyman’s constituents brought the issue to his attention. Don’t ever hesitate to reach out to your members of the Legislature about the issues that concern you; they can have a real impact.

MINIMUM WAGE

New Jersey voters passed a minimum wage constitutional amendment in November. As of January 1, 2014 every employee in New Jersey must be paid at least $8.25 an hour. Going forward, a cost of living increase will be calculated and added to the minimum wage in September of every year. While the issue seems to be settled in New Jersey, it certainly isn’t nationwide. Last year President Obama called for an increase in the national minimum wage to $9.00 an hour. Since then, many Democrats in Congress (including Sen. Cory Booker) have signed onto a proposal that would raise the wage to $10.10 an hour over three years and then automatically increase it based on inflation. Recently a suburban town outside of Seattle went so far as to increase minimum wage to $15 an hour. Polls show that a majority of the public currently supports raising the minimum wage to $10 an hour, putting pressure on members of Congress from both parties. We may see many politicians next year running on a proposal to raise the minimum wage even higher.

Continue on next page...
BAN THE BOX

We’ve discussed with you a proposal that will ban employers from having a box on their job application asking possible employees if they’ve ever been convicted of a crime. The bill goes even further than that, requiring employers to wait until a conditional offer of employment has been offered before asking about criminal history, and even then there are restrictions about what you can ask and what past crimes can be considered. This bill passed the Assembly Labor Committee in late December. Thankfully, it has been amended so that businesses with fewer than 15 employees will be exempt. NJGCA still opposes this bill on the grounds that businesses of any size shouldn’t be faced with such constrictions, but the 15 employee exemption does cover most of NJGCA member businesses. This bill is especially burdensome for NJGCA members who sell lottery and are required to hire only employees that can pass a background check by the NJ Lottery Commission.

LIMITATIONS ON CREDIT CHECKS

In mid December the Assembly Labor Committee passed A-2840/S-455, which prohibit employers from considering credit history when hiring a new employee (unless it is directly relevant to the job they are applying for, such as having authority over the business’ accounts). If you want to perform a credit check on an employee, even if you’re just doing due diligence and it’s to check if they’re being truthful with you, it will not be allowed. NJGCA will keep you updated as to the status of this proposal.

ELECTION 2014

The start of a new year means the start of a new election cycle. This year, we will be voting for officials to send to the Congress in Washington, DC. Sen. Cory Booker (D), who was just elected in October in a special election, will be on the ballot for a full 6 year term. Who will be challenging him on the Republican ticket is still unknown. Potential candidates include several members of the Legislature, including Assembly Republican Leader Jon Bramnick (R-Union), Asm. Jay Webber (R-Morris), and Sen. Mike Doherty (R-Warren). All 12 of the state’s Congressmen will be up for reelection as well. It looks as if the most competitive seat will be the 3rd District in South Jersey, consisting of much of Burlington and Ocean Counties. Rep. Jon Runyan, who was first elected in 2010, has chosen not to run for a third term.

Nationally, Republicans will be looking to gain a net of 6 seats in the Senate, which would give them control. Between the retirement of several Democrats in competitive states and the current unpopularity of President Obama and the Healthcare Law, Republicans likely have about a 50/50 chance of taking the Senate, although predictions like that are always likely to change as the campaigns go on. Republicans will also be defending their majority in the House of Representatives. Democrats would need to gain a net of 17 seats to take over, a number that would be high in any election, but they are further handicapped by history. It is extremely rare for the President’s party to do well during midterm elections when they are not on the ballot.

NJGCA MEMBER TESTIMONIAL

Dear Sal,

I wanted to take a moment to thank you and NJGCA for all the hard work that you do on behalf of small business owners like me. It’s so nice to know that I have someone looking out for me and someone that I can call whenever I have a question or concern. I couldn't believe it when legislators in Trenton tried to mandate generators at all gas stations after Hurricane Sandy. That is something my business just can’t afford, but luckily you were there to stop it.

Also, I remember meeting you in Glassboro at the Grand Opening of a Natural Gas Fuel station. It was great to know that you are looking in to the future in order to keep NJGCA members informed and ahead of the curve. It is important that you are helping your members embrace new technologies and to be knowledgeable and prepared. Finally, I am so grateful to have found Dana Tank Insurance through NJGCA. They have saved me thousands of dollars, and I wish I had been with them since the beginning.

Thanks for everything. I thought it was about time that I expressed my thanks so that other NJGCA members know how lucky we are.

Thanks again for all that you and your staff do.

Sincerely,
Larry Valenzano
Mighty Joe’s Service Station
Shamong, NJ
The launch of the Affordable Care Act (many refer to it as “Obamacare”) has certainly had a rocky start. Most everyone is aware of the widespread problems that plagued the new federal health care exchange/marketplace website. The frustrations voiced by individuals who initially tried to enroll for coverage, as well as those facing plan cancellations, loss of doctors and rising prices were heard throughout the country.

The federal government moved quickly to improve the flawed website as well as possibly delay for one year the cancellation of plans that don't meet the federal standard for benefits (as decided by state insurance commissioners and the insurance carriers doing business in the state). The Administration maintains its confidence in the long term success of the law and its help to many Americans. While the political debate over the merits of the law will undoubtedly continue, we’d like to focus on the impacts of the law particularly on small businesses right here in New Jersey.

The Affordable Care Act was signed into law by President Obama on March 23, 2010. Since that time there have been a number of changes made to group coverage affecting both benefits and price. Of note, you’ll remember that in 2011 the law required non-grandfathered plans to eliminate lifetime benefit maximums, expand annual benefit limits, eliminate pre-existing condition limitations for children up to age 19, extend coverage for dependents to age 26, and require plans to offer specific preventive care benefits. In 2012 the Act required Summary of Benefits and Coverage (SBC) be provided to employees, and asked large employers (those issuing 250+ W-2s) to voluntarily report the value of health benefits on employees W-2s. 2013 capped health care FSA’s to $2,500 and the Medicare tax increase for higher income individuals was initiated.

In 2014, the Individual Mandate requiring every individual to obtain health insurance or to pay an additional tax begins. Those who don't have access to affordable and qualified health insurance plans through their employer can buy coverage through the health care exchange also known as the Healthcare Marketplace. Subsidies to help offset the cost of coverage may be available to individuals based on household income and family size. (In 2014, for those that decide not to buy coverage the tax penalty is $95 per adult and $47.50 per child, up to $285 per family; Or the penalty could be 1% of family income, if that results in a larger fine).

For 2014, health plans must eliminate pre-existing condition limitations for all, employers must reduce employee waiting periods to no more than 90 days and insured plans must limit deductibles and out of pocket expenses. Small employers (those with less than 50 full-time equivalent workers) are not required to offer health insurance to their employees, but may be eligible for a tax credit if they do (provided they meet eligibility requirements under the law). Small group plans will be subject to a new rating methodology. Large employers that don't offer affordable and qualified coverage are subject to penalty; however the penalty imposed under the law has been delayed for one year.

While small employers don't have to offer coverage, many do in order to attract and maintain a competitive work force. Upon renewal, small employers may likely see changes in the plan designs offered to them, smaller provider networks and most importantly the cost of providing coverage. The underwriting rules have changed and as a result we will see premium calculations based on specific employee demographics (i.e. employee age, spouse age and number of children). This may result in unexpected variants in cost between covered employees that were previously equal in cost. Additionally, new taxes and fees required of health insurers and health plans will affect premiums. Overall, many small employers will experience a significant increase in cost. Some employers with advantageous employee demographics may see a decrease.

For those that participate in NJCGA’s sponsored health plan through Association Master Trust (AMT) we're happy to report that AMT has been able to maintain its wide selection of health plan designs and provider networks made available through Horizon Blue Cross Blue Shield all at very competitive rates. Some employers outside of AMT have reported rate increases of 20, 30 and even 40%. AMT's average rate increase taken in October of 2013 was 6½%; while also noting that AMT issued a dividend credit of 4½% on their July 2013 invoice to all members in good standing as of December 31, 2012.

NJCGA’s partnership with AMT has produced consistently excellent results for our participating employer members. As you continue to evaluate and learn about your future health care coverage choices, you may find that your best option for group coverage is right here… with NJCGA and AMT.
By: Eric Blomgren

2013 was a big year for politics in New Jersey. Reverberations from this year’s election will heavily shape the course of events in this state, and the nation, for years to come.

The biggest race was Governor Christie’s huge reelection. It had been expected for several months that Governor Christie would be reelected, but what was uncertain was the margin of his win. The final, official count has him winning over 60% of the vote to Sen. Buono’s 38%. The size of this landslide is particularly remarkable given how favorable this state has grown towards the Democratic Party. Just 12 months earlier President Obama was reelected with over 58% of the vote.

Christie’s share of the vote was the 5th best for any member of the Republican Party running statewide in the post-WWII period, and the best since 1985. He even won a larger percentage of the vote than President Reagan did in his 1984 landslide. He also did well among nearly all sections of the population. He won a majority of women and Hispanic voters, and even took significant portions of the vote of Asians, African Americans and registered Democrats. While no doubt the Governor’s lauded performance during Sandy contributed to his landslide numbers (85% of voters approved of his performance), he was in a strong position for reelection regardless. Polls before Hurricane Sandy showed him ahead of several possible challengers, and he had maintained positive approval ratings throughout the three years before Sandy hit.

The strength of his reelection in such a Democrat-friendly state has vaulted our Governor into being a leading candidate for President in the 2016 election. His willingness to publically respect Pres. Obama and a few of his positions on certain social issues will present him with challenges in the Republican primary, but those same factors also make him the most electable candidate among the potential Republicans. Indeed, a recent poll showed him being the only Republican ahead of Hillary Clinton in a matchup.

The nature of Christie’s run for President will have a major impact on his next term, and that means there will be a big impact on your business. He has made clear throughout his first term that he wants to watch out for the concerns of the small businesses in this state. Many of his policy decisions will likely be viewed not just in terms of what’s best for New Jersey, but also whether it could help or hurt him in 2016. These concerns may actually be good for businesses, since it will make it even more likely that he will push for tax cuts and fewer regulations.

There is also the question of how long he will be in office. His second term is scheduled to expire in January 2018, but he would step down in late 2016 if he wins the election. There is also speculation that he might resign even before Election Day because of certain contribution rules that prohibit sitting NJ Governors from receiving funds from Wall Street sources. If he does step down, Lieutenant Governor Kim Guadagno would step in to serve. She has used the first term to serve as the Governor’s leading business advocate and liaison. If Gov. Christie were to step down before September 2016, then there would be a special election for the Office of Governor in November 2016.

Democrats are ready to jump at the prospect of taking back the Governor’s mansion whenever they get the chance. The leading candidate on the Democratic side is state Senate President Steve Sweeney (D-Gloucester), who has been willing to work with Gov. Christie in a bipartisan manner on many issues, most notably pension and benefit reform. The other major potential candidate is the new Mayor of Jersey City, Steve Fulop. Mayor Fulop recently pushed to mandate that all businesses in his city provide their employees with sick time.

Despite Christie’s massive landslide, the Legislature remained mostly unchanged. There was speculation that many voters would start voting for Gov. Christie and then continue voting Republican down the ballot. While that did have an effect on many Republicans (the margin between the two candidates shifted on average 6% in the Republicans’ favor from 2011), it ultimately wasn’t enough for them to pick up seats. The 40 legislative districts were designed in 2011 to protect incumbents. Outside groups also spent millions of dollars in these legislative races, further protecting incumbents. In total, an eye popping $124 million was spent on this year’s state elections, including a record $41 million spent by independent outside groups, mostly targeting the races for state legislature. This means that the amount of independent spending in New Jersey was the fifth highest ever for any state in America, a troubling portent for the future given how few elections here were actually competitive.

Six districts throughout NJ were highly targeted by Republicans, and despite some close calls the Democrats were able to hold all of them in the Senate. In the Assembly, Asm. Nelson Albano (D-Cumberland) from the 1st District was defeated as was Asm. John Amodeo.

Continue on next page...
(R-2) from the 2nd District. This means there was no net change in the political makeup of the Legislature. Democrats will continue to hold a 24-16 majority in the Senate and a 48-32 majority in the Assembly.

Leadership will largely remain the same in the Legislature. Senator Steve Sweeney (D-Gloucester) will remain leader of the Democrats and President of the Senate and Sen. Tom Kean, Jr. (R-Union) will be the Republican Leader. Change is coming on the Assembly side though. After 4 years in power, Speaker Sheila Oliver did not run for another term. Asm. Vincent Prieto (D-Hudson) will be taking over as Speaker of the Assembly in January. The Republican Leader will remain Asm. Jon Bramnick (R-Union).

NJGCA also congratulates the new members of the Legislature who were elected to fill open seats. Asm. Peter Barnes will move up to the Senate to take the seat Sen. Buono gave up to run for Governor. In the Assembly, Sam Fiocchi (R-Cumberland) will take over for Nelson Albano (D-Cumberland), Vincent Mazzeo (D-Atlantic) will take over for John Amodeo (R-Atlantic), Maria Rodriguez-Gregg will replace Scott Rudder (R-Burlington), Nancy Pinkin will replace Peter Barnes (D-Middlesex), Eliana Pintor Marin has replaced Al Coutinho (D-Essex), Carmelo Garcia and Raj Mukherji will succeed Sean Connors and Ruben Ramos (D-Hudson), Joe Lagana will replace Connie Wagner (D-Bergen), and Bob Auth will replace Bob Schroeder (R-Bergen).

As you know, NJGCA was part of a coalition to try and defeat the minimum wage constitutional amendment that was stuck on the ballot. We thank those of you stepped up and helped us distribute hundreds of lawn signs. Unfortunately, the measure was passed by the voters, but by a closer margin than everyone expected and polls had indicated; proving that our campaign did succeed in convincing many voters to vote no. Hopefully, the supporters of the minimum wage will not take their success as a precedent and start making a habit of going around our elected representatives and taking everything to the general public for a vote.

The other significant election occurred in mid-October. This was the special election for United States Senate to fill the remaining 14 months of the term of recently deceased Sen. Frank Lautenberg. As expected, Democratic Newark Mayor Cory Booker won the election, although Republican challenger Steve Lonegan fought a closer than expected race. Sen Booker is the first African-American elected to the US Senate from New Jersey and has already been touted as a rising star in the party. Hopefully his prominence will trickle down to the residents of the state. Our other US Senator, Bob Menendez, is Hispanic, meaning that New Jersey now has the most diverse Senate representation of any of the 50 states. ■
In the last few years, there has been a sharp increase in lawsuits filed against business owners for violations of the federal Americans with Disabilities Act (ADA). Many actions relate to violations of the Title III provisions of the ADA, applicable to public accommodations such as gas stations and c-stores.

Title III prohibits discrimination “on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages or accommodations” of any place of business by anyone “who owns, leases, … or operates a place of public accommodation.”

Owners/lessees are required to make reasonable modifications to barriers in public areas of existing facilities that deny equal access to individuals with disabilities.

The provisions of Title III specifically require removal of architectural barriers at existing facilities where removal is “readily achievable,” i.e., easily accomplishable without undue difficulty or expense. Factors for consideration in determining whether barrier removal is “readily achievable” include costs of labor and materials, safety requirements, impact on facility operation and effect on business expense and resources.

Title III modifications apply to exterior areas such as parking lots, walkways, pump islands, card readers, fuel dispensers, and air and vacuum equipment. Also falling within its scope are interior bathrooms, hardware, foodservice and storage areas, towel and soap dispensers, shelving, and the like.

Enforcement actions may be triggered by a private individual or the Department of Justice. Private parties who sue under the Act may request that the court order ADA compliant architectural modifications, and also order payment of costs and legal fees expended in pursuing a claim. A complainant is not required to prove intentional discrimination or to have sustained a physical injury, but need only allege existence of a barrier that made the premises inaccessible to the disabled.

Meet your obligations under the ADA and avoid penalties for violations of the Act. Target potential accessibility problems and manage solutions using the following best practices and consult the helpful ADA Checklist for Facilities link at http://www.ada.gov/racheck.pdf.

**BEST PRACTICES:**

- Conduct a thorough premises audit of ADA priority areas such as entrances and restrooms, and all areas accessible to vendors, customers, and guests.

- Provide at least one route of travel that is safe for everyone, including disabled individuals. Pathways should be stable, slip-resistant, uncluttered, and at least 36” wide.

- Inspect curbs and ramps for appropriate curb cuts and height and slope increase as recommended by ADA design guidelines. Utilize proper railings.

- Inspect entrance doors for proper width, clear wall space on pull side of doors, and install signs to warn of inaccessible entrances.

- Arrange furnishings, displays, vending machines, and freestanding racks to provide adequate access.

- Comply with height and width requirements for seating, tables, and counter spaces.

- At least one public restroom should be wheelchair accessible and hardware, stalls and lavatories ADA compliant.

- Develop a feasible barrier removal and compliance plan.

- Maintain accurate records of alterations to premises and barrier removal projects.

**HELPFUL RESOURCES:**


pgunst@agtlawyers.com

To access the latest articles by the Service Station Dealer’s legal counsel, please visit the “Service Station Dealers: Legal Issues” section of the Astrachan Gunst Thomas, P.C. website at: http://www.agtlawyers.com/resources/petroleum.html.
Introducing Two New NJGCA Member Benefit Partners!

NJGCA recently added two new Member Benefit Partners that can make a world of difference at your automotive business.

AUTOMOTIVE TRAINING INSTITUTE (ATI)

ATI offers one day workshops that will ignite your passion again and re-energize your business and increase your profits by 3-8%. Several of NJGCA members have attended this one day workshop, they learned some easy ways to increase their profits and are already taking the steps to do so in their shops. In November NJGCA hosted a workshop with ATI. The workshop provides seats for you, your spouse and your manager. The power point presentation helps guide you on more effective ways to operate your automotive shop. You get a great dinner and breaks to connect with other shop owners.

ATI’s mission is to drive your profits and dreams home. What does this mean? It means that they help you focus on how to make your automotive repair business more profitable!!

Contact NJGCA to find out when the next One Day Workshop will be in your area.

PPC LUBRICANTS / CASTROL OIL

PPC Lubricants joined NJGCA and hosted two evenings where NJGCA members came to learn how they can take advantage of the savings that are being offered on their lubricant purchases. Rebates!!! Customer Retention!!! Savings!!!

Education was provided on motor oil, and techs learned new and savvy ways on how to talk to their customers about Motor Oil and Synthetic Products.

PPC Lubricants has special offers just for NJGCA members. The Rebate Program and Customer Retention Program can’t be out done by another. Find out how you can take advantage of their plan. Contact Debbie Hill or Greg Cannon at NJGCA to have a Representative from PPC Lubricants meet with you and explain their program.

You will be able to find information on both of these companies in our New Member Benefit Partner Brochure coming out in early 2014!!! In the meantime, if you have any questions, please feel free to call Debbie Hill: 973-376-0066 or email debbie@njgca.org
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. In 2014, NJGCA will be producing a new MBP Brochure, which will be mailed to you directly. We are excited about the “new” brochure. In the meantime, we have added some new Member Benefit Partners.

** Denotes Newest MBPs!!

Here is a list of our current MBPs:

4CAST OUTDO CORP - Gas Pricing Strategy Experts**
ABLE-TECH - Industry Specific Business Consulting
ADP - Payroll Processing
AFFINITY FEDERAL CREDIT UNION - Credit Union
ALFA-TRONICS - Petroleum Station Services, Specializing in Security for Dispensers**
AMATO INSURANCE AGENCY - Garage Liability, Auto, Homeowners, Flood, Disability
ASSOCIATION MASTER TRUST (AMT) - Health Insurance Coverage
ATS ENVIRONMENTAL SERVICES - Tank & Vapor Testing, NJ DEP Compliance
AUTOMOTIVE TRAINING INSTITUTE (ATI) - Education for a More Profitable Business**
BELLOMO FUELS - Fuel Distributors**
BRENNAN LAW - Environmental Law Specialists**
C. A. WINKLER, INC. - Tank and Pump Replacements
C-3 TECHNOLOGIES - Tank and Vapor Testing, NJ DEP Compliance**
COASTAL EYEWEAR - Prescription Eye Glasses and Contact Lens Specialists**
COLE, SCHOTZ, MEISEL, FORMAN & LEONARD - Legal Services**
DANA TANK INSURANCE SPECIALISTS - Tank Insurance
ENVIRONMENTAL ALLIANCE, INC. - Environmental Remediation Services
ENVIRONMENTAL & GEOTECHNICAL SERVICES - Environmental Remediation Services
FIRST DATA CORPORATION - Credit Card Processing & Consulting
HAROLD LEVINSON ASSOCIATES - Convenience Store Distributors**
HOUGH PETROLEUM - Fuel Distributor**
KOPA - Efficient Energy Lighting Solutions
MEADOWBROOK INSURANCE GROUP - Workers Compensation
MERIDIAN ENVIRONMENTAL - Tank and Pump Replacements
P3 GENERATOR INC. - Generator Survey and Power**
PPC LUBRICANTS/CASTROL OIL - Lubricant Supplier**
PRESTIGE ENVIRONMENTAL - Environmental Remediation
SALOMONE BROS. INC. - UST, Pump, and Tank General Contractors, Generator Power
SERVICE STATION VENDING EQUIPMENT - Air & Vacuum Systems
SPARK CONTRACTORS - UST, Pump and Tank General Contractors, Generator Power**
TANKNOLOGY - Tank and Vapor Testing, NJ DEP Compliance**
TC PETROLEUM - Lubricant Supplier**
TMP ENERGY SOLUTIONS - Discounted Electricity and Natural Gas
TRINITY SOLAR - Solar and Generator Power**
UNIFIRST - Uniform Service and Station Supplies
By Debbie Hill

Recently I attended Compliance Assistance Classes held by the NJ DEP. One class was held in Bordentown at the New Jersey State Police Facility and the other was held by Petroleum Equipment Contractors Association in New Brunswick.

Both classes had a wealth of information designed to help understand UST systems, and how to comply with the NJDEP regulations. NJGCA sent invites to both classes. Sadly though, only a few NJGCA members attended. Hopefully the next time this opportunity arises YOU will attend and learn how to “avoid” costly compliance issues in the future.

Below is a list of things you should know if you own a UST.

**UST REGISTRATION RENEWALS:**

**IMPORTANT:** Make sure you complete the “Financial Responsibility” portion of the UST Registration Questionnaire. NJGCA suggests that you submit a copy of your “Tank Insurance” with your UST registration questionnaire and your renewal payment. Make sure you keep a copy of the UST Registration at your site.

1) **BERGEN COUNTY:** Do you own a UST in Bergen County? Underground Storage Tank Registrations in Bergen County Expired on December 31, 2013. Did you renew your UST registration? The Fee is $150.00 for three years. The UST registration will not renew unless you have paid the renewal of $150.00 and completed the UST registration form and mailed it to the NJDEP. Check your records now. Don’t waste a minute, if you have not received it, there may be a problem. You can call Debbie at NJGCA to check the status of your UST Registration.

2) **PASSAIC/SUSSEX COUNTIES:** Your UST registrations will expire on March 31, 2014. By the time you receive this publication, you should have already received your UST registration renewal invoice and UST Registration form, which must be completed and mailed in with your renewal payment of $150 to the NJDEP by March 1, 2014 in order to avoid any problems. If your business is in Passaic/Sussex County – check your records now!!! Avoid costly compliance issues.

3) **HUDSON/WARREN COUNTIES:** Your UST registrations will be up for renewal on June 30, 2014. Be on the look out for the renewal form from the NJDEP. You should receive it by end of March or beginning of April 2014.

**UST COMPLIANCE - NJDEP CHECKS THE ‘BIG 6’ MAJOR ITEMS: ARE YOURS IN ORDER?**

1) **UST Registration:** Issued for three (3) years. $150.00 Certificate must be at site.

2) **Tank Insurance = Financial Responsibility:** (Send in a copy of current tank insurance with each UST Questionnaire Renewal)

3) **Spill Containment:** Your fill ports must have containment devices fitted to the riser pipe. They must be clean and free of product or debris.

4) **Overfill Protection:**
   a. Ball Floats will be phased out. Speak with your Tank Contractor to find out what you should have.
   b. Flapper Valves: They block the drop tube when product level reaches 95%.
   c. High Level Alarms: May consist of horn and light. Have you tested yours? Learn how to verify operation.

5) **Corrosion Protection (If you have Steel Tanks)**
   a. All metal tanks must be protected from corrosion
   b. Passive/Sacrificial Systems: Consists of anodes fitted to end of tanks
   c. Impressed Systems: A rectifier converts AC line power to DC which is then distributed to anodes around the tank field. Can be used for tanks or lines.
   d. Whichever system is being used must be tested and certified by a certified contractor every three years.
   e. The rectifier must be examined every 60 days to verify operation.
   f. Check under your dispensers for any steel lines/metal lines – The DEP is now issuing violations for any metal in contact with the dirt. Check yours now to avoid the costly penalty.

5A) **Cathodic Protection**
   g. Coated Steel Tanks: You must verify the coating meets UL 1746 Standard for stand alone corrosion protections

*Continue on next page...*
6) Release Detection Monitoring:
   a. At least one form of leak detection is required for your tanks and piping:
      i. ATG/Monitoring System
      ii. Interstitial (double wall only)
      iii. Statistical Inventory Control (SIR)
      iv. Tank Tests
   b. Product Piping:
      i. SIR – Statistical Inventory Control
      ii. Interstitial (double wall only)
      iii. Pressure or Wireless Monitoring Devices

Mechanical Line Leak Detector (must be used with a second method of Leak Detection).

ADDITIONAL INFORMATION THAT YOU SHOULD BE AWARE OF:

• The No Further Action (NFA) no longer exists. The NJDEP now uses Remedial Action Outcome (ROA). In the past, NJ DEP used to issue “NFA’s” on sites that came in to complete site remediation. Which would mean that there is no contamination on the site. However, “NFA’s” will no longer be issued. The new terminology is: “ROA,” which means that your site has come in to complete compliance on any site remediation.

• The UST Program is divided between ENFORCEMENT and SITE REMEDIATION. It is important to know – you must keep your site in compliance for the “BIG 6” listed above. However – if your site has any remediation issues, you must stay on top of them as well, making sure that your LSRP is up-to-date and keeps NJDEP informed of how you are moving forward with your site for remediation. If you don’t comply with the requests of your LSRP, or NJDEP – they can and will terminate your UST registration, making it impossible for you to do any business.

• UST Operator Training is coming. Look for details on this subject in upcoming issues of the On The Road newsletter.
By Eric Blomgren

As it has done year after year, NJGCA’s Political Action Committee (PAC) played an important role in allowing NJGCA to financially support our allies running for office. This year, we were proud to say that we significantly stepped up our fundraising activity. We held our first two fundraisers ever this year, both successful. More importantly, we dramatically increased our spending, more than doubling what we spent during the last state election in 2011.

This was probably the most important year to have these kinds of increases as well. It was a record year for money in politics, both in terms of objective dollar amounts and anecdotally. We were constantly being contacted by legislators asking us to contribute to their campaigns, and in October alone were invited to nearly 100 separate fundraising events.

Unfortunately, even with this increase we are still a fairly small force. We even track behind other business groups in similar industries. Money is important in politics because it is a testament to the amount of support we have lined up behind us. There is symbolism in the fact that the more money an organization has, the more support is lined up behind it; advocating for its causes. It testifies to just how significantly certain policies and laws can affect substantial numbers of people and businesses.

It’s these contributions that show legislators that we support them, and if we support them that makes them more open to supporting to us. This is one of the most important ways that we can get our foot in the door, cultivate relationships, and build awareness. It is the relationships that we build that have the most influence on whether we can enact policies that help your business and prevent policies that hurt it. It’s your financial contributions that allow our voice to be heard amid the cacophony of hundreds of competing interests vying for attention regarding the over eight thousand bills that have been introduced in this legislative session.

The fact is: you deserve more, and your business deserves more. But the only way to accomplish that is for you to step up and be involved. Next year we are hoping to host up to four separate fundraisers for the PAC, ranging from a nice dinner to a fishing trip to a skeet shooting event. We will let you know the details once they have been finalized, but we hope you will attend at least one.

We’ve also made it easier than ever to donate directly to the PAC. You can now go online by visiting www.njgcapac.org to print a contribution form. Any amount is welcome. Soon you have the ability to schedule automatic monthly donations. We recommend that EVERY NJGCA member sign up for a $10 monthly donation. That’s the cost of ordering lunch, and it’s only once per month. The more that’s invested in the PAC, the more everyone benefits. For too long, the support of the PAC has fallen on the shoulders of too few. This year NJGCA has been proactive about stopping the “freeloader syndrome”, and political involvement is no exception.

NJGCA is also working to make contacting your officials as easy as hitting one button. We have partnered with a new service that will allow members to easily contact their elected officials about the issues that matter to your business. Members can visit the NJGCA Action Center by heading to www.njgca.org/member-dashboard and logging in with their member ID.

Periodically, you’ll get emails from NJGCA asking you to take action on important issues that are being discussed by the Legislature. At the bottom of that email, there will be a link. All you have to do is click that link and you will automatically be brought to the action page, with all of your information already plugged in. There will even be a prewritten message (which you are welcome to add to if you would like). All you will need to do is hit send.

These emails do matter to legislators. Most of their voters don’t interact with them on specific issues on a regular basis. When you reach out to talk about an issue, it puts the issue on their radar screen in a way it might not have been before, and it lets them know that there’s at least one voter out there who will be watching how they vote on the matter. Now that all it will take to contact them is a single click, you have no excuse not to make your voice heard!
Promoting our agenda in Trenton is of utmost importance to NJGCA and our members. However, in order to truly affect the debate, we must ensure our friends in the Legislature are re-elected.

It is for this reason that your Association has established the NJGCA PAC.

For too long, the weight of funding our Political Action Committee, the arm of the Association responsible for political donations, has rested upon a few. This is not only unfair to those few members who have shouldered this burden, but means we are not utilizing our full strength to affect the debate in Trenton.

To truly understand the importance of supporting our allies, consider our successes in Trenton:

- We defeated BELOW COST SELLING
- We made history in getting FIRST RIGHT OF REFUSAL signed into law!
- We have built large support for RIGHT TO REPAIR and got it passed out of the Assembly
- We defended your small business against the false accusations of Attorney General Anne Milgram
- We gained wide support to move New Jersey to an all PIF Inspection System and close the CIF lanes
- ...and MUCH MORE!!

In each instance, we achieved these goals with the help of our friends in the Legislature!

If every member contributes just $100 we can help to ensure victory for our allies.

PLEASE SEND YOUR CONTRIBUTIONS TO:

NJGCA PAC
66 Morris Avenue
Springfield, NJ 07081

Please make your donation payable to NJGCA PAC

We have made great progress in Trenton, but more needs to be done-
I hope that you will answer the call and contribute to the NJGCA PAC TODAY!!
Sometimes, ideas are put forth that at first may seem good, perhaps even noble, but upon further review are revealed to be deeply flawed. Take, for example, the idea of raising the minimum wage. Many peoples’ first reaction is to think, “What a wonderful idea!” Upon full understanding of who is behind the effort and what the long term consequences could be, however, many of these same people realize that it is not a good idea after all.

**MY HISTORY**

At age 16, I got my first job working for a Gino’s fast food restaurant. For a reason I don’t recall, I was paid 10 cents less than the minimum wage at the time of $1.75 per hour. (It may have been because I was allowed to eat for free, which I did, and quite often!) I started out as a bus boy and soon advanced to “chicken man.” As I was trained to cook Kentucky-Fried Chicken, I never complained about earning minimum wage (or starting below it, for that matter). I was just happy to have a job, especially considering I had limited job skills. As I learned more, I got paid more. After about a year, I moved onto another company as a (trainee) car mechanic, a field I am still employed in today.

Looking back, no one in the young workforce thought of this job as a “career.” I needed a part time job after school and between semesters. Gino’s got inexpensive, untrained labor; the employees got a job and the customers got a good meal at a fair price. Everyone benefited – classic capitalism.

Fast-forward to the present, and to proposed legislation to raise minimum wage. The face assigned to this legislation is not actually the driving force behind it. You may have heard pundits ask how a single parent could afford to raise a child while making minimum wage. First off, minimum wage jobs are rarely “careers,” but rather opportunities of employment. And many of these jobs would evaporate if employers were forced to pay higher wages, not to mention the fact that the cost of many everyday goods and services would increase dramatically, from the cost of hamburger meat ($6 Big Mac, anyone?) to a car wash or even having your lawn mowed.

Quite frankly, an increase in the minimum wage would result in a decrease in job opportunities. Statistics have proven this time and time again; it is simply an unintended consequence.

Here are some interesting facts regarding minimum wage:

**FROM THE US CENSUS BUREAU:**

- 60% of people living in poverty do not work.
- A majority of minimum wage earners come from families with incomes far above the poverty line.
- The average family income for minimum wage workers exceeds $50,000 annually.

**FROM THE FEDERAL BUREAU OF LABOR STATISTICS:**

- Of the 75 million hourly paid workers in the US age 16 and over, only 4.7% earn the minimum wage or lower (tipped employees, trainees)
- 79% of teenagers ages 16-19 make more than minimum wage.
- Only 2.9% of adults age 25+ earn the minimum wage.
- Only 6% of women over the age of 16 earn the minimum wage. (How many single moms are really earning minimum wage?)
- In New Jersey, only 5.8% of hourly paid workers earn the minimum wage. (That excludes salaried employees, so as a percentage of the total workforce, that figure is even smaller.)
- 78% of food service industry workers (wait staff, bus people, etc.) earn more than the minimum wage.
- 95.5% of agriculture workers make more than the minimum wage.
- Only 4% of high school graduates earn minimum wage
- Only 8.4% of adults never married earn minimum wage
- Only 2.2% of married adults earn minimum wage.

The main proponents of proposed legislation to raise the minimum wage are the labor unions, who stand to gain the most. As minimum wage increases, so would their pay. And considering this legislation carries automatic increases to minimum wage tied to the Consumer Price Index (CPI), unions stand to gain big time. As prices go up, so does the minimum wage. And so do union wages.

Keep in mind that minimum wage earners often have limited skills. If not for that minimum wage job, they may have no job at all, possibly collecting unemployment or other public assistance. There are few skilled workers earning minimum wage.

Another unintended consequence of raising the minimum wage is wage compression. This happens when minimum wage is raised and new hires enter jobs close to the present workforce’s pay. Present employees request a raise because the “new guy” is close to his or her wage. This can work its way up through all levels of the company, significantly...
raising the cost of labor with no increase in productivity, pressuring the company to raise its pricing just to pay for this added expense. On a broader level, New Jersey consistently rates near the bottom in multiple business rankings. Raising minimum wage would create another burden on business, further damaging the state’s ranking.

In conclusion, my working at -- and technically, below -- the minimum wage in no way held me back. On the contrary, minimum wage allowed me to have a job, earn some spending money, learn work skills and build self esteem. In my opinion, the idea of raising minimum wage at this time, in this economy, is a bad one. And tying automatic minimum wage increases – and thereby prevailing wage increases – is shortsighted by state government and selfish of union groups.

A yes vote on this literally guarantees unions an annual raise forever, much at taxpayer expense. Please vote NO on this issue.

*Editor’s Note: This article was written prior to the November election when New Jersey citizens voted in favor of raising the minimum wage. Keith Krehel is an NJGCA member and also a member of AASP/NJ. This article was first published in the October 2013 issue of New Jersey Automotive magazine.

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Dear Sal,

Thank you so much for convincing me to check out FirstData Corporation for my credit card processing. I still remember the day that I called you and was so excited about a different processing company that I had just signed up with. I was positive that I was getting the best deal out there, but as a favor to you, I agreed to let FirstData come out to my station and give me a quote. They absolutely blew me away! They had by far the lowest fees, and they even paid for me to cancel my contract with that other company. I have been so happy with FirstData that I wanted to write to you so that you could share my experience with other members. Everyone should consider switching to FirstData.

Thanks for the great recommendation!

Nick Zacharias
Zeus Auto, Montclair, NJ
NJGCA ON THE ROAD ● 26 ● JANUARY 2014

By Eric Blomgren

NJGCA has seen many legislative successes over the past few years. We’d like to take some time to tell you a little bit more about the men and women who have been instrumental in helping your small business prosper.

SENATOR NIA GILL

The Honorable Nia Gill has been serving in the state Legislature for the last twenty years. She was first sworn in as a member of the General Assembly in 1994, and became a Senator in 2002. She represents the 34th Legislative District, a geographically small but very socially and economically diverse district in North Jersey; consisting of Montclair, Orange, East Orange, and Clifton. In November she received over 73% of the vote in her reelection campaign.

She has served in the position of Senate President Pro Tempore since 2010. She is the Chair of the Senate Commerce Committee, an important committee through which many business, banking, insurance, and consumer affairs related bills must travel. She is also the Vice-Chair of the Senate Judiciary Committee.

It is in her role as Commerce Committee Chair that NJGCA has had the most occasions to work with Senator Gill. In 2009, we worked closely with her on passing the historic Right of First Refusal legislation. Most of you reading this are aware of that bill and its importance, indeed some of you may be beneficiaries of it.

It was critically important that bill be moved as fast as possible in order to get it into law before the oil companies could divest their properties only to a handful of mega distributors, shutting out small business owners in the process. Senator Gill gave Right of First Refusal its first Committee hearing in the Legislature, just weeks after it had been introduced. Because of Sen. Gill’s timely support, there are now literally hundreds of people who now safely own their small business, but would not have if not for her leadership.

Recently, her support was critical in getting our long fought for ban on zone pricing moved through Committee. Once she understood that the bill was fundamentally about fairness, competition and lowering gas prices, she supported it enthusiastically. We hope that by the time this issue of the OTR has gone to print, the Governor will have signed the bill.

Senator Gill’s tenure as Chair of the Commerce Committee has given her a reputation as perhaps the most tough-but-fair Chair of any committee in the Legislature. She runs things the proper way, and is clearly a believer in the idea that “sunlight is the best disinfectant”. Sometimes individuals trying to move legislation will rely on “backroom deals” and the use of tactics like last minute amendments or moving bills forward even when they need work, but Sen. Gill refuses to allow that to happen in her committee.

She is also effective at keeping testimonies on point and pertinent to the issue at hand. Her lines of questioning are direct and cut through to the heart of the issue being discussed (and can be a bit painful for those on the wrong side of an issue).

Senator Gill has proven to be a friend and advocate for the small business owner on many issues. She is willing to take all views into consideration on any issue in order to determine the best piece of legislation possible. NJGCA looks forward to continuing to work with her in the next session and beyond.
By Eric Blomgren

When the Affordable Care Act (ACA), commonly known as Obamacare, was passed in 2010 then-Speaker Nancy Pelosi (D-CA) famously said that “we have to pass the bill to find out what’s in it.” On October 1st, we started to see Obamacare being implemented full on and the rollout has certainly been rocky. The ACA was a major reorganizing of one the biggest sectors of the economy, something that affects every single person in the country. It is clear now that the federal government was completely unprepared for its own deadline.

One of the biggest features of Obamacare was a mandate that everyone in the nation must buy health insurance, or else face penalties. In order to help people purchase new plans they were to set up healthcare exchanges online that would allow individuals to plug in their information and see the various health plans they were eligible for, as well as how much the plan would cost once the government subsidies they were eligible for were applied. On October 1st, those online exchanges launched and it was clear they were not built properly. The websites crashed constantly for weeks after the launch, preventing all but a few from actually enrolling in health insurance plans. In November it was announced that the number of signups in October was less than one tenth of what the Administration had projected was needed for the plan to be successful.

It was originally planned that small businesses would be able to use the online marketplaces to browse for health insurance plans for their employees just as individuals were. The program was called the Small Employer Health Options Program (SHOP). That provision has now been delayed until November of 2014 as the Administration throws all of its efforts at fixing the broken exchanges for individuals and families, which it feels is a bigger priority. However, employers will actually be able to buy SHOP plans, but you will not be able to do it yourself through the website, you must go through a broker or insurance company. Back in July, the Administration also delayed the employer mandate for a year (this mandate only applied to businesses with at least 50 fulltime employees). Many employers have been trying to go around this provision by shifting more and more of their workers to less than 30 hours a week.

The Healthcare Plan has also received criticism for reasons other than the website. When President Obama was selling the plan to the American people, he stated on numerous occasions that “if you like your plan, you can keep your plan”. Millions of Americans, however, are discovering that not to be the case. They have been sent notices from their insurance companies that their plans were being cancelled as a result of new mandates instituted by the ACA. The cancellations largely affected individuals who purchased their own health insurance and didn’t get it through their employer.

The ACA mandated that insurance plans cover certain things, including maternity and mental health care. Many people who bought health insurance on their own went for cheaper plans that provided less coverage. Originally, advocates of the bill hoped that these people with cancelled plans would be able to easily purchase new plans on the internet exchanges that covered more. But because the website was broken, millions were facing the prospect of having no health insurance at all despite President Obama’s promise.

Realizing how serious an issue this had become (roughly 10% of the population of NJ are having their plans cancelled), on November 14th he announced there would be a way for people to keep their current plans through 2014. Technically, the decision to continue those plans is being left up to the individual states and insurance companies. In New Jersey, the fate of those plans is being left up to the insurance companies, who are hesitant to allow the plans to continue. The fear among many is that those who wish to keep these plans will have to pay much more for them as insurance companies seek to balance their books.

You may be wondering why it is that these new mandates have been added. For example, why should men, and even women past child-bearing age, be legally required to pay for a healthcare plan that includes maternity coverage? After all, it’s safe to say they will never need it, right? The reason is that ultimately one of the main goals of the ACA is redistribution of wealth and of expenses. If men aren’t subsidizing the cost of maternity care, that means that women, by their very nature, are inherently more expensive to cover and therefore would have to pay more in insurance premiums because of their gender. Advocates of the ACA would say that it’s fair then to spread the wealth around and makes things more equal to serve the collective good of society. Opponents say it’s inherently unfair to force people to pay for something that they don’t want and will never use and that forcing men to pay more almost is a form of gender affirmative action.

Much of the story of Obamacare is some people winning and some people losing. On the individual level there are plenty of stories of people who went to the online exchanges and are now spending less money on better healthcare plans. There are also stories of people who are on track to be forced to spend hundreds of dollars a month more on health insurance than they had been. One writer likened
For example: younger adults are being charged, no matter what. People with preexisting conditions can no longer be denied health coverage by the insurance companies, but this change doesn’t come without a cost. The cost of insuring those sick people will be borne out by the healthier majority of the population.

Perhaps the group that is most on the hook is the young. They are on track to be, on the whole, the healthiest, and as a result are the most likely to either choose not to buy health insurance or buy a plan that only covers catastrophic problems. They are being forced now to buy more comprehensive and therefore more expensive plans that, in general, they will pay more money into than they will get out. In fact, the entire feasibility of the ACA is dependent upon large numbers of young people buying insurance on the exchanges to subsidize the higher costs of the baby boomers.

The other costly provision for young people is a provision of the law that mandates older adults cannot be charged more than three times what younger adults are being charged, no matter what. For example:

A 64-year-old man pays $800 a month for health insurance, and his 27-year-old neighbor pays $100. Collectively, an insurance company gets $900 to insure them both. But according to the Affordable Care Act, health insurance premiums must fall within a ratio of 3:1 for adults. So assuming the insurance company still seeks to collect $900 a month to cover both neighbors, the older man would now pay just $675, while his younger neighbor would be charged $225. If you are 64, this is a much better deal. But if you are the 27-year-old, you are now saddled with paying $125 more a month. That is $125 a month less that a young person can invest in a home or education.2

In many instances, there will be a subsidy that can reduce some of this burden, but in many cases not all of it. While younger people may be healthier, in general they are not financially better off than older Americans. Younger Americans are just trying to get started in life, and are already faced with huge student debts and a job market that remains weak.

Republicans are now beginning to criticize the ACA over President Obama’s claim that “if you like your doctor, you will be able to keep your doctor”. Many insurers have limited the number of doctors and hospitals that their customers can go to in an effort to lower costs. This means that some consumers, particularly those going on the exchanges, won’t have the option to keep their current doctor, or might have to pay significantly more for a broader plan that includes them.

The issues that have developed as Obamacare has been implemented have significant political implications. An average of opinion polls on the Health Care Law has shown disapproval spiking to 57% against and only 39% in favor of the law. Two polls in late November showed President Obama’s approval rating had fallen into the high thirties nationwide. In early October a few of the most far right Republicans in Congress succeeded in shutting down the federal government in an attempt to get Democrats and the President to defund Obamacare or at least delay it for a year. Public backlash against what was such an extreme position hurt the Republican Party’s brand and resulted in voters increasingly saying they planned to vote Democratic in the 2014 midterm elections. Since then, however, voters have moved on from the shutdown and focused on the problems of the ACA, resulting in a significant turnaround in polling that now shows more people promising to vote Republican.

Essentially all Republicans are in favor of a complete repeal of the ACA and the replacement of it with some other type of reform (Democrats regularly criticize them for not having a real replacement piece of legislation drafted). However, going about that remains effectively impossible for the near term. A repeal and replace of the ACA along the lines of what Republicans support would need a majority of the House of Representatives, a majority of the US Senate, and the support of the President. Currently they have the House, and stand a roughly 50/50 chance of taking the Senate in November 2014. But Obama would never gut his signature achievement as President. That means the soonest we could see significant changes to the Health Care Law in this country is 2017, and even that depends on one party winning the White House and both houses of Congress. This means you must expect Obamacare to be a part of your life and your business’ life for some time to come.

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1 James Oliphant. “Love It or Hate It, Obamacare Redistributes Americans’ Wealth.” Nation Journal. November 21, 2013
2 Matt Lewis. “How Obama is Soaking the Young”. The Week. November 11, 2013
NJGCA: Start by telling us a little bit about yourself, your family, and your background. How did you get started in the business?

BIKRAM GILL: We got started in 1990. My brother-in-law, Tony, and I purchased our first gas station, a Mobil in Perth Amboy. Kashmir got involved in the business a few years later, after he finished school. I have a Bachelors of Science and a Masters in Engineering from universities in India. Kashmir has a degree in computer science from NJIT. Tony has a Bachelors of Science in Agriculture from a university in India.

NJGCA: So you really have turned this into a family business?

BIKRAM GILL: Yes, very much so. We get to do what we love, and share it with our loved ones each and every day. The second-generation has even started to get involved. After graduating from Johns Hopkins in 2011, my son Ravi started working for the company, too. We really enjoy the opportunity to share our knowledge and passions with our children.

KASHMIR GILL: We are successful in our business because of the strong family atmosphere that we cultivate within our company. For example, we do something special where a different person brings a home-cooked meal to the office each day for lunch. The meals typically feed 10-12 people, and then we spend the lunch break together enjoying a home-cooked meal, like a family.

NJGCA: Can you tell us a little bit about how the business has grown since you purchased your first station in 1990?

KASHMIR GILL: The biggest change is that, in addition to our 40+ retail locations, our company has now expanded into distributing and trucking in New Jersey, New York and Pennsylvania. We first started to consider distributing in 2004, and it became a reality in 2007, when we became jobbers for BP and Sunoco. Within two years, we were one of the largest distributors in NJ for BP and Sunoco. In 2008, we began supplying unbranded fuel to unbranded stations. We joined 76 in 2010, and most recently, in 2012, we became ExxonMobil distributors. We presently supply over 100 stations, and we believe that our experience as gasoline retailers allows us to better serve those stations that we distribute to. We consistently ask ourselves, “If things are not being done right, how can we improve them?” This is the thought process that we have had since we were dealers, and when we became distributors we understood what the dealers wanted. We know the issues that retail dealers face, and we treat our customers the way that we wish our distributors had treated us back in the 90s and early 2000s. Now that we have seen the shortcomings in the trucking industry, we are moving towards addressing those as well.

NJGCA: You guys certainly have a lot on your plate! Do you have time to be active in your community outside of work?

BIKRAM GILL: Luckily, our work provides us with many opportunities to give back to the community. In the wake of Superstorm Sandy, we donated $12,500 to the Relief Fund that was started by Governor Christie’s wife Mary Pat. In the past we have also donated money to the Long Branch High School’s anti-bullying project and to the Players Development Academy (PDA) Scholarship Fund, which allows soccer players of all socio-economic backgrounds an opportunity to compete at the highest levels.

We are active in our temple as well, assisting with the fundraising and charity work that they do. And one of the most rewarding things that our business has allowed us to do is to offer summer training programs for interns and to hire young people from the local community to work in our office.

Gill Energy Executives Dominick Clarizio (left) and and Bik Gill (right) present Cam Henderson (center), Executive Director of the Hurricane Sandy New Jersey Relief Fund, with a $12,500 check.
NJGCA: You also contribute generously to NJGCA’s Political Action Committee (NJGCA PAC). How have you benefitted from legislation that NJGCA has advocated for in the past, and what legislation are you interested in addressing in the future?

KASHMIR GILL: NJGCA’s Political Action Committee does a great job of representing the industry’s interests in Trenton, and preventing legislators from passing laws that would be harmful. For example, I worked together with Sal on issues such as Right of First Refusal, fighting to keep the ban on Below Cost Selling, and promoting a Credit Card Rewards Program which would benefit motorists, but not at the expense of the small business owner.

In addition, since NJGCA spent the last year fighting so hard to prevent a state-wide generator mandate, my business has been spared from potentially spending over $1 million on back-up generators at all of our locations.

Personally, one of my biggest priorities is working to see self-serve become a reality in New Jersey. In addition to working aggressively on self serve, I hope that in the future New Jersey will allow gas stations to have check cashing machines and sell beer and liquor. I am also a strong proponent of a state minimum on fuel prices.

NJGCA: You have a lot of experience in this industry, can you compare and contrast the nature of the business then and now? Where do you see the industry going? How do you think it will change in the coming years?

BIKRAM GILL: We can see that our business is at a critical juncture right now. Margins are shrinking and income is going down, while at the same time, minimum wage and healthcare costs are going to continue to increase. For the last 25 years we’ve seen small mom and pop video rental stores and hardware stores go out of business because of chains like Blockbuster and Home Depot. Unfortunately, that is what we foresee for our future. Small mom and pop gas stations are already closing and will continue to close.

In addition to constant competition from Costco and Wawa, the market is being flooded with natural gas, electric and hydrogen vehicles. We are very uncertain about where the industry will be in the next 10 years.

KASHMIR GILL: There are also some unnecessary pressures that we as retailers have placed on ourselves over the years, as a result of being trained by the oil companies to push more and more volume through our stations. However, we must understand the economics of running our stations and not let the oil companies’ priorities overshadow our priorities as small business owners. Though it takes 14-15 cents per gallon to run a station, many have found themselves lowering prices to push out more volume, and subsidizing gas station operations with revenue from convenience stores or repair shops. This puts a downward pressure on street prices that other retailers may not be able to achieve if they are gas-only operations and do not have additional sources of revenue to pull from.

I believe that education is needed to help all retailers understand how to properly and responsibly run their businesses. NJGCA does a great job of offering classes and seminars and providing opportunities for small business owners to grow their businesses and be successful. I truly appreciate the work that NJGCA does to promote high standards and professionalism within their membership.

Dear Sal,

I wanted to quickly tell you how happy I am with the work that KOPA Lighting did at my station. I originally reached out to KOPA because almost half of the lights in our location weren’t working. Now that KOPA has completely revamped the lighting system, the station looks brighter, cleaner and more attractive. I’m even saving money on my monthly electric bills, which is great because even though I’m spending less, my station is lit up like a Christmas tree! You can’t beat that value!

I also want to thank you personally for ensuring that everything went smoothly with KOPA and that the work was completed in a timely manner. I can’t thank you and KOPA enough for helping my station achieve a beautiful new look.

Sincerely,

Werner Doecks
Wayne Sunoco, Wayne NJ
UPDATE: HYDROGEN/HYDROGEN FUEL CELL

Hydrogen Fuel Cell Vehicles to Come From Toyota, Honda and Hyundai

Vehicles powered by hydrogen, one of the most abundant elements in the universe, have long been a focus of automotive engineers. Essentially allowing a motorist to power his or her vehicle with water vapor, hydrogen-powered cars present both a simple and complex solution to drivers’ expectations. There are two types of hydrogen-powered vehicles: an internal combustion engine fueled by hydrogen, and a fuel-cell-powered car driven by a hydrogen reaction. In the first example, an engine’s powerplant converts the chemical energy in hydrogen into mechanical energy by burning a hydrogen mixture in an internal combustion engine. In this scenario, hydrogen essentially replaces gasoline (or diesel or natural gas) as the combustible material in a conventional motor. In the latter example, vehicles with hydrogen fuel cells will create a chemical reaction that is initiated when hydrogen reacts with oxygen to run an electric motor. Hydrogen fuel – whether used in a traditional motor or in a fuel cell – is typically made from fossil fuels, methane, or electricity. In this regard, the hydrogen industry must use abundant energy in order to create the hydrogen fuel, but this can be mitigated by using solar, wind, nuclear, or other more efficient forms of energy.

Though the hydrogen fueling infrastructure is virtually non-existent in the US, with only a few dozen stations operating nationwide and no option to refuel at home, global automakers are pushing forward with small numbers of hydrogen vehicles for limited markets. Hydrogen fuel-cells, though not as close as other alternatives to being mass-market-ready, are still nonetheless evolving and advancing.

The allure of a hydrogen fuel-cell car -- essentially an electric car with the large battery pack replaced by a much smaller one with a hydrogen fuel cell as a range extender -- is that it offers both range and refueling time comparable to that of a gasoline car.

In recent months, consumers and enthusiasts saw three different hydrogen fuel cell cars appear at auto shows around the world. Toyota, Honda and Hyundai unveiled their fuel cell concepts, with the Hyundai model the closest to hitting the roadways, in the spring of 2014. Toyota will initially launch its hydrogen fuel cell vehicle in Japan in 2014, and it will come to the US and Europe after that. Toyota has partnered with BMW to share development and production expenses for fuel-cell technologies.

The biggest unknown is the cost of the production of a hydrogen fuel cell vehicle; while Toyota had initially hoped to bring it in at a price of $50,000, reports have circulated that put the cost to Toyota -- and hence perhaps the retail price -- at nearly $140,000. The cost of developing and manufacturing a hydrogen fuel-cell equipped vehicle is expected to slowly decline as the technology is refined and a manufacturing supply based is created, but it will be up to the market forces to determine if pricing and demand will actually allow this technology to be competitive in the marketplace.
Natural gas vehicles (NGV) are not a new phenomenon. Many company and industrial fleets are powered by natural gas. Most of these vehicles can be fueled by two different versions of this fuel: compressed natural gas (CNG) or liquefied natural gas (LNG, also known as propane autogas). Both are clean burning and efficient alternatives to gasoline and diesel powered cars. Natural gas powered vehicles are incredibly popular and account for over 12 million vehicles on the road worldwide. In many instances, a NGV can burn both conventional gasoline and CNG to ease infrastructure concerns. America’s NGV industry has been increasing thanks to a growing infrastructure and abundant sources of natural gas deposits within the continental United States and offshore in territorial waters. In the United States, NGV variants like LNG and CNG are typically cheaper than gasoline and other motor fuels.

In response to the increasing popularity and feasibility of Natural Gas Vehicles, General Motors recently announced that the 2015 Chevy Impala, which goes on sale in summer 2014, will be the first North-American-built, full-size sedan to use either gasoline or Compressed Natural Gas.

Though enthusiasts have long been converting their vehicles’ gasoline systems to run on CNG with aftermarket additions, and Honda’s 2013 Civic Natural Gas is a factory-built CNG vehicle, the new Chevy will be the first factory-built bi-fuel passenger vehicle targeted at the retail consumer as well as the fleet customer.

A recent, nationwide survey conducted by the National Association of Convenience Stores determined that US consumers are looking to auto manufacturers to provide more alternative fueled vehicle options, and consumer buying decisions appear to be heavily motivated by economic incentives. The survey indicates that over half of the respondents would consider a natural gas powered vehicle. Furthermore, according to a white paper published by FC Gas Intelligence, the principal factor driving growing interest in Natural Gas Vehicles is the lower overall price of Natural Gas compared to either gasoline of refined diesel fuel. Over the last decade, Natural Gas prices have dropped dramatically as new North American supply sources have opened up. The United States has even moved from a potential Natural Gas importer to a potential significant Natural Gas exporter over the past ten years.

Is your station ready to service vehicles that run on natural gas?

Since the earliest days of the automobile, electric powered vehicles have existed. In fact, many of the initial “horse-less” carriages were driven by electric motors hooked up to batteries. Since early technology limited the efficiency and power of a battery, internal-combustion motors eventually became the engine of choice in powering the automobile. However, thanks to advances in battery design and innovation, automakers are allocating serious resources to developing new electric vehicles. Though battery technology still has a long way to go before it is on-par with gasoline/diesel powered cars, it is steadily improving. Engineers and manufacturers are constantly looking for new ways to generate electricity and address concerns about recharging vehicles without overly-taxing the current American electrical infrastructure grid (which many feel is woefully outdated and in need of modernization before full electrification of the automobile can be realized). As such, electricity may one day be widely produced not only from coal, petroleum, solar panels, wind power, and nuclear sources, but geothermal and ocean wave generation. Lastly, the incorporation of electric charging stations throughout the national landscape will also become a major factor in the acceptance of electric vehicles as anything more than a niche product. This could potentially create great opportunities for service stations to add an additional “fuel” to their locations and profitably serve a new breed of customers. These issues will continually challenge electricity production and electric-vehicle development in the years ahead.
Like consumers interested in natural gas vehicles, consumers considering electric vehicles are drawn primarily by economic incentives. A recent study indicates that high pricing of electric vehicles, not their low range, is the single biggest obstacle to building demand for this technology. In response to lagging sales (caused by declining gasoline costs, which have made it less attractive to buy hybrids and electric vehicles), a wide range of manufacturers, including Ford, Nissan and Chevrolet have dropped their prices.

Most recently, Mitsubishi has announced that it plans to drop the price of its i-MiEV battery electric vehicle by 20%. Early reports indicate that these efforts have helped to attract more potential buyers. A new survey by Navigant Research, a consulting firm in Boulder, Colorado, found that 61% of participants thought favorably of battery-electric vehicles.

Though high prices seem to be buyers’ primary concerns, in order for electric vehicles to truly have a significant presence in the market, adjustments must also be made to our current infrastructure to make it more electric-vehicle-friendly. This could become increasingly difficult in 2014, since December 31, 2013 marked the expiration of a 30% tax credit for the installation of electric-car charging stations. This tax credit would have allowed individuals who installed charging stations in private homes to take advantage of a Federal Income Tax Credit of 30% of the cost of purchase and installation. The tax credit also extended to business and investment users, which allowed for a maximum 30% credit, up to $30,000 per site.

Car manufacturers have responded to low-demand by lowering prices, but the federal government has removed various economic incentives for electric vehicles. With a tax-credit no longer on the table, how much cheaper will electric vehicles have to be before they truly become a viable alternative to gasoline powered cars?

Debbie,
I just wanted to take a second to thank you for bringing NJGCA into the 21st century! We have set ourselves up on the automatic credit card payments for our membership fees. It makes my life easier when paying bills, and its less time spent entering the invoice and printing the check every month. It saves me time, and we all know ... Time is money! Keep up the good work and helping everyone move forward.

Regards,
Karen Bonilla
E.B.’s AUTO LLC
Egg Harbor, NJ
As if service station dealers didn’t have enough to worry about, they must now be increasingly concerned about maintaining proper documentation to prove that they are not employing illegal workers.

In May of this year, employers were required to use an updated version of the federal I-9 form to prove the eligibility of new workers.

The forms appear simple, with newly hired employees required to complete and sign Section 1 of Form I-9 by their first day of employment, and the employer then completing Section 2, which requires that it attest to examining documents provided by the employee to establish his or her legal employment status and to certify the employee’s first day of employment, among other things.

But mistakes can be costly. As one commentator has warned:

Mistakes or missing information, whether intentional or not, and which might have nothing to do with a worker being in the country illegally, can lead to stiff penalties. Employers can be fined from $110 to $1,100 per violation for failure to comply with the form’s requirements, according to U.S. Citizenship and Immigration Services. Penalties can even be steeper, up to $6,500 per violation, for participating in document fraud, or up to $16,000 for knowingly hiring an unauthorized worker.

Consider the fate of small Washington state contractor Ketchikan Drywall Services, Inc. (“KDS”). This company had only four permanent employees but also hired numerous temporary employees. Although its problems arose from failure to maintain proper records prior to the release date of the newly amended I-9, the lessons drawn from its predicament are equally applicable now.

How did this come about? First, ICE, as was its right, examined Form I-9s going back three years. This expanded the number of violations to 271.

Second, no one at KDS had any I-9 compliance training until two years prior to the audit, so that many of its older forms were deficient.

Third, although KDS did collect substantial documentation authenticating its employees’ work status, it failed to fully complete many I-9 forms, and also failed to produce those forms in response to the ICE audit in a timely manner.

Fourth, KDS failed to adequately monitor its employees’ completion of Section 1 of the forms, and also failed to ensure that all Section 1s were completed by the employee in a timely manner.

KDS attempted to seek relief from the penalty imposed upon it by filing a petition for review in the United States Court of Appeals for the Ninth Circuit in Ketchikan Drywall Services, Inc. v. Immigration and Customs Enforcement, 725 F.3d 1103 (9th Cir. 2013). But the three-judge court unanimously rejected its appeal.

In sum, the Ninth Circuit held that the administrative judge properly accepted ICE’s penalty guidelines to calculate fines, despite the technical nature of the majority of KDS’s failures to obtain and maintain completed forms. In so doing, it held KDS strictly responsible for its employees’ errors in filling out Section 1, and deferred to the administrative judge’s broad discretion in determining proper penalties.

The lesson is clear. Failure to comply with Form I-9 requirements can be extremely costly to a small businessperson.

To access more articles by the Service Station Dealers’ legal counsel, please visit the “Service Station Dealers: Legal Issues” section of the Astrachan Gunst Thomas, P.C. website at:

http://www.agtlawyers.com/resources/petroleum.html

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Immigration Alert: The Need to Document Immigrant Employees
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