



June 28, 2024

New Virginia Laws Effective July 1

Motor Fuel Taxes Increasing

As we have previously reported, in 2020 the General Assembly passed legislation that ties motor fuel tax rates to the increase in the Consumer Price Index. This year that change means the tax on gasoline and diesel will increase 1.3 cents per gallon for all product dispensed after July 1. The DMV tables detailing these changes may be found below:

[Statewide Rate](#)

[Wholesale portion](#)

Increased Fines, Education Mandates and Possible License Suspensions for Underage Tobacco/Vape Products

New legislation increases penalties for sales of tobacco and vape products to underage per included in the law is language requiring mandatory education on these topics for both store employees. We have been trying without success to determine the format of these education mandates, but have been rebuffed by the Department of Behavioral Health, and concerned new mandates may well be released after the effective date without the benefit of public input by subject matter experts. We will continue to work to develop the information necessary to membership and will be supplying this information when made available by the state.

Distributor/Dealer Market Survey

Also taking effect Monday is legislation regarding distributor/dealer relationships. After consideration and deliberation during the process, the following becomes law Monday:

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered [59.1-21.11:2](#) as follows:

§ [59.1-21.11:2](#). *Required provisions pertaining to agreements between jobber/distributors and*

A. A term of an initial agreement between a jobber/distributor and a dealer relating to specific premises shall not be less than one year, and the term of all subsequent agreements between jobber/distributor and the dealer relating to the same marketing premises shall not be for less than one year. The rental provisions in any such agreement or franchise shall be based on commercially reasonable standards at a fair market value of the leased marketing premises. If a dealer based on the terms of the agreement offered do not meet a fair market value, such dealer may hire, at his or her expense, an independent third-party appraisal company from a list of appraisal companies provided by the jobber/distributor to provide a market valuation study. Such study shall (i) be for information only, (ii) not require either party to disclose confidential business information, and (iii) not be binding on either party.

B. The provisions of this section shall be limited to Planning District 8 and shall apply to initial agreements and renewals of franchise agreements entered into after July 1, 2024.

It is important to note that the bill only applies to locations in Virginia's planning district 8: Du Page, Loudoun, Prince William, Manassas, Manassas Park, Fairfax, Fairfax County, Fall Church, Leesburg, Vienna, Arlington and Alexandria, and the market survey provision is only applicable to contracts entered into after July 1, so our expectation is that the impacts will be minimal, at least in the short term. As we have announced, our leadoff speaker at the Annual Meeting at the Green Hill State Senator Jeremy McPike who has been the chief proponent of regulation of distributor/dealer relationships.

Thank You EMA PAC Contributors

A couple weeks ago we wrote to the membership requesting your support of the Energy Marketers of America (EMA) Political Action Committee. EMA is a federation of state and regional petroleum marketing associations, and as a member of Virginia Petroleum and Convenience Marketers Association you are automatically a member of EMA (formerly PMAA).

We depend on the EMA to provide us with important regulatory information emanating from agencies that can impede members' ability to compete and thrive in the challenging marketplace of the industry in 2024. Additionally, EMA's staff are our voice in the halls of Congress, assuring that the concerns of independent petroleum marketers are heard by our congressmen and senators.

Political contributions are important because they allow EMA to serve you better. In addition to requests from our Virginia delegation, the staff carefully targets congressmen and senators on key committees impacting petroleum related issues.

Federal requirements mandate that all contributions to the PAC are made with private funds that you will join us in sending a **personal check for \$150.00** made out to "EMA PAC," and our office address, 7275 Glen Forest Drive, Suite 204, Richmond, Virginia 23226. We will be recognizing contributors in upcoming editions of the Update. Thank you to those from whom we have all received below:

Mark Anderson
Mike Andrews
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Bob Claytor
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Garry Gray
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Molly Morgan
Mike O'Connor
Madison Pollard
Paul Pollard
Ron Prewitt
Jim Ridenour
Corey Russell
Gordon Sutton
Lewis Wall
David Walsh
Stratford Ward
Jack Woodfin

Save The Date

VPCMA 76th Annual Meeting
September 22-24, 2024
The Greenbrier Resort
White Sulphur Springs, WV
Registration is now open!