



October 16, 2020

SPECIAL REPORT

2021 General Assembly Likely to Consider Plan to Eliminate Petroleum Industry

A group of unelected bureaucrats and academics have hatched a proposal they call the Transportation Climate Initiative. Devised at a Georgetown University "think tank," their plan would impose a legislative and regulatory scheme to ration gasoline and diesel, redistribute wealth, and eventually prohibit the sale of fossil fuels in Virginia. Some are now pushing to have this ill-considered plan before the General Assembly in three months. If they are successful, the survival of your business and this association will be in doubt.

Briefly, the plan would set an arbitrary limit on the number of gallons of fossil fuels that could be sold in the Commonwealth annually. At the end of each year that number would decrease 5 or 10 percent by state mandate (**Rationing**). Each year petroleum marketers and your customers would pay an added tax on each gallon remaining- this tax would fund electric charging stations, bike paths, high rise apartment buildings atop metro stations and similar projects (**Redistribution of Wealth**). This tax will be in addition to the statewide gas tax of 34 cents per gallon, but since that is funded by gasoline and diesel sales, statewide transportation funding will decrease each year until it is gone completely by 2032 or 2042. (**Prohibition**)

None of the states that border Virginia, except Maryland, are even considering such a plan. About 70 percent of Virginia's population lives within an hour drive of a jurisdiction that would not have rationing, redistribution or prohibition. If this passes, many of your present gallons will simply be purchased across state lines to avoid the provisions of TCI.

While this idea may sound crazy, there are many bureaucrats currently in power in Richmond who are trying to make it law. We will need to work every day between now and the beginning of the session to inform your legislators that this risky scheme is bad policy and politics. Because of COVID it is unlikely that we will be able to meet with legislators personally, so we will soon embark on a program to encourage every VPCMA member to speak with their elected officials in November and December and ask them to vote **NO** on rationing, redistribution, and prohibition.

We will hold a special association wide zoom meeting on **October 28 at 11 am**. The first 30 minutes will be devoted to TCI. Joining us will be Don Thoren of the Fuel and Petrochemical

Manufacturers Association, one of the nation's foremost experts on TCI. The second half will feature Dr. Bob Holsworth with a state and federal election preview less than a week before election day. There is no cost to participate in this program, but you must be a VPCMA member and pre-register. To do so click on the link below.

You are invited to a Zoom meeting.

When: Oct 28, 2020 11:00 AM Eastern Time (US and Canada)

Register in advance for this meeting:

<https://zoom.us/meeting/register/tJ0rcOuqpzktGtSV7URxIWYsktuzn6pxjcEz>

After registering, you will receive a confirmation email containing information about joining the meeting.
