



Missouri Petroleum Marketers & Convenience Store Association

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TO: ALL MPCA MEMBERS
FROM: RONALD J. LEONE, EXECUTIVE DIRECTOR
DATE: APRIL 1, 2008
SUBJECT: 2008 FEDERAL LEGISLATIVE ISSUES

Please take a moment to thoroughly review the three (3) federal issues detailed below. Thereafter, please immediately use the following numbers to contact both of Missouri's U.S. Senators and the appropriate members of Missouri's Congressional delegation. Feel free to copy and fax this memo if you so desire.

Senator Kit Bond: Ph - 202.224.5721; Fax - 202.224.8149
Senator Claire McCaskill: Ph - 202.224.6154; Fax - 202.228.6326
Rep. Todd Akin: Ph - 202.225.2561; Fax - 202.225.2563
Rep. Roy Blunt: Ph - 202.225.6536; Fax - 202.225.5604
Rep. Russ Carnahan: Ph - 202.225.2671; Fax - 202.225.7452
Rep. Lacy Clay: Ph - 202.225.2406; Fax - 202.225.1725
Rep. Emanuel Cleaver: Ph - 202.225.4535; Fax - 202.225.4403
Rep. Jo Ann Emerson: Ph - 202.225.4404; Fax - 202.226.0326
Rep. Sam Graves: Ph - 202.225.7041; Fax - 202.225.8221
Rep. Kenny Hulshof: Ph - 202.225.2956; Fax - 202.225.5712
Rep. Ike Skelton: Ph - 202.225.2876; Fax - 202.225.2695

I. FDA REGULATION OF RETAIL TOBACCO SALES: H.R. 1108.

The House Energy and Commerce Committee is planning a Committee mark-up on Wednesday, April 2, 2008, on a bill - H.R. 1108 - that grants the Food and Drug Administration (FDA) the regulatory authority over the manufacture and retailing of tobacco products.

What You Should Do ASAP. Every MPCA member should immediately call both of Missouri's U.S. Senators and the appropriate members of Missouri's Congressional delegation and strongly urge them to:

1. Oppose any and all efforts to give the FDA authority to regulate the retail sale of tobacco products, whether it's included in H.R. 1108 or any other bill.

The FDA is badly broken and can barely handle its current mandate of ensuring the safety of the nation's food, prescription drugs and medical devices. As a result, why expand the FDA's

responsibility to include tobacco products when state governments are doing a very good job of regulating retail tobacco sales?

2. Regulate and tax all tobacco retailers uniformly and consistently by closing the many unfair loopholes that apply to the retail sale of tobacco products on Native American lands and on the internet.

The bottom line is that Native American tobacco retailers, “brick-and-mortar” tobacco retailers and internet tobacco retailers should all be playing by the exact same regulations and rules when it comes to taxes, regulations, and ensuring that minors have no access to tobacco products.

Visit www.fdaconcerns.org, a website maintained by Reynolds America, Inc., to learn more about this issue.

II. CREDIT CARD FEE LEGISLATION: H.R. 5546.

MPCA and PMAA thank all of you who have already communicated to your Members of Congress about the great need to support H.R. 5546, the Credit Card Fair Fee Act, introduced on 3/7/08 by House Judiciary Chairman John Conyers (D-MI) and Representative Chris Cannon (R-UT).

MPCA and PMAA have actively supported the Merchants Payments Coalition (MPC) efforts to pursue a prudent solution to unfair credit card fees and welcome this new legislation with enthusiasm. MPCA and PMAA continue to communicate and meet with Members of Congress to urge them to cosponsor and/or support the Credit Card Fair Fee Act.

What You Should Do ASAP. Every MPCA member should immediately call both of Missouri’s U.S. Senators and the appropriate members of Missouri’s Congressional delegation and strongly urge them to support H.R. 5546, the Credit Card Fair Fee Act, for at least two (2) reasons:

1. H.R. 5546 will allow merchants to negotiate fees with credit card companies in an accountable and transparent manner.

2. H.R. 5546 provides a mechanism to balance market power by injecting competition and other free market forces into the credit card marketplace.

III. INCREASED REGULATION OF ENERGY MARKETS: H.R. 2419.

For the past three years, MPCA and PMAA have worked hard to advance legislation increasing Commodities Futures Trading Commission (CFTC) oversight of energy trading. We are very close to achieving that goal and have been supporting a Senate “CFTC oversight” provision pending in the Farm Bill H.R. 2419.

What You Should Do ASAP. Every MPCA member should immediately call both of Missouri’s U.S. Senators and the appropriate members of Missouri’s Congressional delegation and strongly urge them to:

1. Finish the Farm Bill – H.R. 2419 – which includes several important CFTC oversight provisions.
2. Take additional steps to reduce the dominant position investment banks, hedge funds and other speculators have secured in oil futures. This market domination is a very significant contributor to high gasoline, diesel and heating oil prices.
3. Consider increasing trader margin requirements to reduce the influence of market speculators.

In the simplest of terms, trader margins are like down payments buyers must pay when buying an oil contract. MPCA and PMAA believe margin requirements for speculators should be dramatically increased. One way to distinguish between industry traders and speculators is the ability to take physical delivery of product. Companies with ships, tanks, terminals and other infrastructure should be given preferred margin rates over paper traders. Futures market officials could impose a physical delivery component for traders to qualify for reduced margins. For example, traders who take physical delivery of at least two percent of the volumes they trade could be provided waivers from the increased margin requirements.

Respectfully Submitted on Behalf of MPCA's 500+ Members,

Ronald J. Leone, Executive Director

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