

INFRASTRUCTURE PACKAGE GAINS MOMENTUM, FACES HURDLES

ISSUE

In late June, the Biden Administration held a press conference with a bipartisan group of 21 Senators to announce a preliminary agreement between the White House and Senate on an infrastructure package. While the package details are currently under negotiation, the agreement on a framework and funding levels marks a significant step towards an infrastructure deal later this year. During the announcement, stakeholders suggested negotiations could conclude by late July, giving Congress two months to consider the bill before the current surface transportation reauthorization expires at the end of September. However, partisan differences were immediately apparent, as President Biden suggested that a bipartisan infrastructure bill would need to be accompanied by a Democratic-led reconciliation package that would serve as a vehicle for partisan priorities, including components of the Green New Deal, tax increases, and voting law changes. The Biden Administration quickly walked back these comments suggesting a bipartisan bill could move without a reconciliation bill. The future of a broad infrastructure deal remains uncertain.

The propane industry faces a number of opportunities and challenges in the next infrastructure bill, including the Clean Corridors Program, a grant funding program for the installation of alternative fuel refueling infrastructure. Additionally, several of the policies moved in a reconciliation package could significantly impact the future of the industry.

ACTION

For more than two years, NPGA has worked with Congressional Committee stakeholders involved in the next surface transportation reauthorization. The Association successfully added propane to the Clean Corridors Program in the Senate EPW Committee's bipartisan package, which will likely be part of the upcoming Biden plan. That said, due to the new political dynamic, propane and natural gas were removed from the program on the House side after being added to H.R. 2 last year during the 116th Congress. NPGA has also engaged a broad group of Congressional stakeholders on the environmental and economic benefits of propane to counteract misguided policy proposals like the Green New Deal. The Association has deployed a targeted advocacy strategy, which focuses on five key infrastructure areas: Alternative Fuel Tax Credits, clean school bus funding, the Clean Corridors Program, resiliency and combined heat and power, and renewable propane.

OUTLOOK

NPGA's continuous engagement with Congressional offices on these priority issues and the deployment of additional resources, like PropanePAC contributions, will help secure a favorable outcome for the propane industry in the next surface transportation bill. While both parties are engaged in good faith negotiations, narrow margins and ideological differences could slow or derail the process.

NPGA OPPOSES NEW OSHA LABEL PROPOSAL

ISSUE

The Hazard Communication Standard (HCS) under the Occupational Safety & Health Administration (OSHA) is the regulation of hazardous materials labeling and handling as well as related employee training. Recently, OSHA proposed new changes to the HCS labels, which were overhauled in 2012 to align with international shipping standards. Today, OSHA proposes to codify a Memorandum of Understanding between the agency and the U.S. Department of Transportation (DOT) regarding HCS labels on bulk containers, like cargo tanks. OSHA also proposes to revise HCS labels to feature a "Released for Shipment" date as well as modify the wording for flammable gases in the Prevention and Response categories relative to possible ignition sources. If finalized as proposed, propane businesses may be required to relabel containers with a new Released for Shipment date at each filling.

ACTION

NPGA urged the agency to eliminate or adjust language in the proposal to avoid confusion and unnecessary burden on propane companies, like adding a Released for Shipment component on HCS labels. NPGA argued that the supply chain for products like propane experiences significant turnover and the shipment date would not provide a safety benefit to employees. NPGA also led a coalition of hazardous materials industries to clarify the roles and requirements of OSHA's HCS labels and the labeling, marking, and placarding requirements of DOT.

OUTLOOK

NPGA filed to testify before OSHA at an upcoming informal hearing on the proposal to present opportunities to streamline the regulation and minimize impact on the propane industry. OSHA will finalize any modifications to HCS after the agency evaluates information shared through the hearing as well as the initial response to the proposal.