

TO: NAW Direct Members

FR: NAW Government Relations Team

**RE: NAW COVID/Government Relations Update Number 2021-10 – April 22 at 2:30 PM**

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## 1. Latest on the Vaccine Distribution

NAW is actively involved in the vaccine issue, working with member companies in a joint effort to get the government to involve the entire wholesale distribution industry in the vaccine distribution effort.

### **Tax Credits Available to Provide Paid Leave to Employees Receiving COVID-19 Vaccines:**

On Wednesday, President Biden announced that businesses with fewer than 500 employees will be reimbursed for any paid time off they provide employees — up to \$511 per day per employee. The paid tax credit is funded by the American Rescue Plan signed into law last month. Businesses and nonprofits may receive a tax credit for up to \$511 per day of paid sick leave that employees take to get the shot or recover from its side effects from April 1st through September 30<sup>th</sup>.

Guidance for small businesses on the tax credit is available on the IRS website [HERE](#).

In February, NAW, along with 42 of our downtown allies, sent a [letter](#) to the Equal Employment Opportunity Commission (EEOC) requesting that they quickly issue guidance clarifying the extent to which employers may offer employees incentives to vaccinate without running afoul of the Americans With Disabilities Act and other laws enforced by the EEOC. To date, we have not yet received a response to our letter and no guidance has been released.

President Biden also called on all employers, regardless of size, to offer paid leave for their workers to get vaccinated, as well as urging companies to provide information about the shots and incentives to get them, like product giveaways or other rewards.

"I'm calling on every employer large and small in every state to give employees the time off they need, with pay, to get vaccinated," President Biden said in a statement. "No working American should lose a single dollar from their paycheck because they chose to fulfill their patriotic duty of getting vaccinated," Biden added. To read President Biden's full statement, click [HERE](#).

### **NAW Initiatives on Vaccine Distribution:**

#### **NAW & NFL Expand Partnership in Support of COVID-19 Vaccination**

NAW and wholesaler-distributors have continued to provide critical donations of supplies and PPE to NFL stadium vaccination sites across the country. The partnership has expanded to include 7 teams (Detroit Lions, Pittsburgh Steelers, Carolina Panthers, Atlanta Falcons, Seattle Seahawks, San Francisco 49ers, and Houston Texans), with donor distributors contributing over \$450,000 worth of gloves, sanitizer, masks, wipes, and other products used to administer vaccinations.

The NFL announced recently that over two million people received vaccinations at a stadium site, and NAW is proud to lead the distribution industry in supporting the American recovery through these collective efforts. If you are interested in joining the NAW-NFL partnership, e-mail NAW's Chief Business Development Officer, Dan Schuberth, at [dschuberth@naw.org](mailto:dschuberth@naw.org).

#### **State and Local Vaccine Distribution Tracker by *Little Law Firm*:**

As with nearly everything about this pandemic, guidance and action plans vary by state and local jurisdictions and are constantly evolving. To that end, *Little Law Firm* provides links to state agency websites, vaccine allocation plans, and other guidance related to the rollout of COVID-19 vaccines, as well as basic vaccination plan phases. To see the latest updates, click [HERE](#).

#### **Additional Vaccine Distribution Resources:**

In a previous update, we included additional information and resources on vaccine distribution, which you can access [HERE](#).

## **2. Latest on the Infrastructure/Business Tax Legislation**

**The first bill – the President’s American Jobs Plan:** This week, President Biden asked Republican lawmakers to come to the negotiating table with their ideas for an infrastructure package. Based on what we learned from conversations with members of Congress and/or their staff, the rough draft of the Republican counteroffer was a proposal to spend approximately \$600 billion dollars with a focus on brick and mortar, or “hard,” infrastructure.

The specifics of the proposed program spending consist of:

- \$299B for roads and bridges
- \$61B for public transit
- \$65B for broadband infrastructure
- \$44B for airports
- \$35B for drinking water and wastewater
- \$20B for rail systems
- \$13B for safety
- \$17B ports and inland waters
- \$14B for water storage

Unfortunately, some leading Progressive Democrats rejected the GOP plan sight unseen – without there even being an actual detailed plan to present. Senator Elizabeth Warren (D-MA) said that “the Republican proposal does not meet the moment” – despite the fact that \$600 billion is significantly more funding than any surface transportation legislation that has passed in recent memory. The Republican proposal is said to be paid for with user fees, such as an increase in the gas tax or a vehicle miles traveled (VMT) program, as well as unspent coronavirus relief funds. Administration offices have indicated that they would rather raise the corporate tax rate to 28 percent as a pay-for, so that President Biden can keep his pledge to not raise taxes on anyone making less than \$400,000.

As of now, President Biden is continuing a dialogue with Congressional Republicans on a way forward on an infrastructure package, even without the participation of most of his Democrat Congressional colleagues. If talks between the White House and Republicans fail to produce an agreement, Democrats in Congress will turn again to their plan to pass an infrastructure bill through budget reconciliation – with no GOP input or votes. Success in that effort is not completely certain, since they would need the support of all 50 Democratic Senators and at least one – Joe Manchin of WV – has expressed reservations about using the reconciliation process. But if they should succeed, the result will be a bill much closer to the President’s more-than-2-trillion-dollar proposal, with business tax increases in the \$1.5 trillion range.

**The second bill – the President’s American Family Plan:** A second major spending-and-tax-increase bill is expected to be announced by the President next week, we believe just before his April 28<sup>th</sup> address to Congress. This second bill – sometimes referred to as the “human” or “social” infrastructure bill, will include an as-yet-unspecified amount of spending on social welfare, health care, and education. This spending will be “paid for” with significant increases in taxes on the individual side of the tax code, focused on increased taxes on upper income earners and the wealthy. We do not yet know what specific tax increases will be proposed, although we expect to see many of the Biden campaign tax increases in this bill, i.e., an increase in the top rate from 37% to 39.6% and an increase in the capital gains tax rate for upper income earners. Other tax proposals being offered or discussed by members of Congress include significant changes in the estate tax and repealing or rolling back the 199A deduction used by pass-through businesses. We will update NAW members as soon as we obtain reliable information on the details of this next bill.

### **3. Latest on the Economic Recovery and Re-Opening the Workplace**

As the Coronavirus Pandemic continues to impact the United States economy and businesses across the nation, it can be hard to decipher how new regulations and laws may impact your business. To help you manage these issues NAW is providing information about reports, webinars, and seminars that you may find useful:

**From *Little Law Firm*:**

#### **Arizona Joins Other States in Passing COVID-19 Liability Protection for Businesses**

Arizona Governor Doug Ducey recently signed Senate Bill 1377 after a push from Republican legislators to limit civil liability exposure for “Good Samaritans” who have worked to protect and provide for Arizonans during the COVID-19 health crisis. To read more, click [HERE](#).

**Webinar from *Little Law Firm*:**

#### **Not All Who Wander Are Lost: Managing Employee Relocation in the Era of Remote Work**

Thursday, April 29, 2021 | 8:45 am-10:00 am EDT

American workers are on the move! According to one study, between 14 and 23 million Americans plan to relocate because of the increased opportunities for remote work

resulting from the COVID-19 pandemic. But do employers know where their workers will be? To register, click [HERE](#).

**Public Hearing from the U.S. Equal Employment Opportunity Council:**

The U.S. Equal Employment Opportunity Commission (EEOC) will hold its first all virtual Commission hearing on Wednesday, April 28, at 10:30 a.m. (Eastern Time) to consider the impact of the COVID-19 pandemic on workers, the difficulties faced by employers in navigating potential employment discrimination issues raised by COVID-19, and future challenges the pandemic may present for employees and employers.

The hearing will be held virtually, as a videoconference, via Zoom for Government and is open to the public, in accordance with the Sunshine Act. The public may observe the livestream or connect to the audio-only dial-in by following the instructions that will be posted on [www.eeoc.gov](http://www.eeoc.gov). The links and audio-only dial-in information is to be posted on Monday, April 26 and no later than 24 hours prior to the hearing.

**Stateside Associates** publishes a daily report about State and Local Government responses to the evolving situation. To read their latest report, click [HERE](#).

We are also providing a link to a spreadsheet that includes state and local COVID-19 response information provided by **MultiState Associates**. To view their spreadsheet, click [HERE](#).

[Click here](#) for links to UPDATES sent previously.

Many thanks—

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National Association of Wholesaler-Distributors*