

TO: NAW Direct Members

FR: NAW Government Relations Team

**RE: NAW COVID/Government Relations Update Number 2021-13 – May 20 at 2:30 PM**

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## 1. Latest on President Biden's Proposed Tax Increases

As you all know, President Biden has proposed two large spending proposals, one a traditional “hard” infrastructure bill and a second “social infrastructure” proposal. Both proposals would be “paid for” with significant tax increases on both C corporations and pass-through businesses.

A recent survey we conducted of NAW members shows that more than 70% support a traditional infrastructure bill, but that even larger majorities oppose increases in the corporate income tax rate or the individual tax rate that pass-through businesses pay – 76% and 91% respectively.

NAW is working with allies in the DC trade association community to support passage of an infrastructure bill, but to oppose the direct business taxes the President has proposed.

There are now indications that the magnitude of the Biden tax hike proposals – several trillion dollars – is causing both Democrats and Republicans on Capitol Hill to question the wisdom of the plan. For example, the proposed changes to the estate tax – repeal of stepped-up basis on capital assets and taxation of unrealized capital gains at death – is getting particular scrutiny, as this [story](#) today in *Bloomberg* details.

Nevertheless, those advocating for enactment of all the Biden tax increases point to public opinion polls showing that there is broad support for increasing taxes on corporations and the wealthy. But other recent polling shows that, when asked the direct question, most poll respondents say that the most anyone should have to pay in taxes is 25 percent. Clearly, both assertions cannot be correct.

NAW is now working with allied trade associations, consultants, and a polling firm to organize and launch a new coalition. The mission of this coalition is not just advocacy but will conduct polling and message testing to see how public opinion responses are impacted when the respondents learn more about the tax proposals and will include a targeted media campaign. We expect this new coalition to be announced next week.

We will of course keep you informed of the coalition effort and the status of tax legislation in Congress.

## **2. Latest on CDC Mask Guidelines**

As we reported earlier this week, the new CDC mask guidance has raised more questions than it has answered, since they clearly stated that the CDC guidance does not preempt OSHA or EEOC guidelines.

Also, as we noted, OSHA updated its website to include this notice:

*The Centers for Disease Control and Prevention ([CDC](#)) has issued new guidance relating to recommended precautions for people who are fully vaccinated, which is applicable to activities outside of healthcare and a few other environments. OSHA is reviewing the recent CDC guidance and will update our materials on this website accordingly. Until those updates are complete, please refer to the [CDC guidance](#) for information on measures appropriate to protect fully vaccinated workers.*

Unfortunately, that statement remains on the OSHA website and no update to their materials has been released. And EEOC has posted nothing at all on its website on the issue. We are continuing to closely monitor OSHA and EEOC and will let you know as soon as we learn more.

In the interim, in addition to the May 13<sup>th</sup> Littler law firm analysis we provided last Tuesday (you can access it [HERE](#)), the K&L Gates law firm has just released an excellent “U.S. Labor, Employment, and Workplace Safety Alert” on this topic that you might find useful. You can access the K&L Gates alert [HERE](#).

## **3. Latest on the Vaccine Distribution**

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

### **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](#).

## **4. 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:

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

Virtual Human Resources – Managing the Remote Workforce

Wednesday, May 26, 2021 | 9:30 am-10:30 am PDT

We are one year into the pandemic, and the latest data shows that about 33% of the American workforce continues to work remotely (from home). Managing a distant workforce has always been a challenge – think of trying to manage and coach outside salespeople. As the number of employees working from home has increased dramatically, human resources (HR) needs to refine its approach to managing the workforce. To register, click [HERE](#).

**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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