

FROM: National Association of Wholesaler-Distributors

While Washington seems to be embroiled in an endless series of high-profile controversies that have little to do with legislating or policy, there are things happening that don't make the headlines ...

Labor – new overtime rule just released: As we've reported before, NAW was a plaintiff in the lawsuit that resulted in the overturning of the Obama Wage and Hour Division's rule radically changing the Fair Labor Standards Act's "white collar" overtime exemption. The Trump Administration initially issued a "request for information" (RFI) on the issue – NAW responded to that RFI – preparatory to proposing a new rule.

After months of delays, the Trump Labor Department yesterday finally released a new Notice of Proposed Rulemaking (NRPM) on a new overtime rule. Their rule will formally rescind the Obama rule, a step necessary to ensure that there could be no retro-active enforcement of that rule.

While we are just beginning to review the new NRPM, a few details are notable. First, they are proposing a threshold salary for qualifying for the "white collar exemption" of \$35,308 – significantly lower than the \$47,000 proposed in the Obama rule. Also, they do not propose automatic increases in that salary threshold without any rulemaking or public comment, as the 2015 rule did.

NAW has filed comments multiple times on this issue, based on the invaluable input we received from member companies on how the proposed rules would impact them. We will review this new rule, and again reach out to our member companies to better understand how each of the provisions in the new rule will impact them.

[Click here](#) to review the new NPRM.

Labor – National Labor Relations Board (NLRB): Sometimes having something NOT happen is a successful outcome of an advocacy effort, and that is the case with a recent NLRB issue. Former Obama Board Chairman Mark Pearce's term on the Board expired last year, and there was a concerted effort on the part of organized labor to get him re-appointed to fill the vacancy. Because Pearce was by far the most aggressive player in moving a pro-union, anti-business agenda during his tenure on the Board, the business community was united in opposition to having him reappointed. That united business opposition prevailed and, in a major victory for business, Pearce withdrew his name from consideration for the Board seat. The business community remains active and is continuing to meet with officials at the White House and the Senate to discuss when and with whom to fill the existing and upcoming Board vacancies.

Healthcare: Bi-partisan legislation has been introduced in the House and Senate to address revenue provisions of the Affordable Care Act (ACA) which are problematic to the over 181 million Americans enrolled in employment-based health coverage. NAW supports both the

Middle Class Health Benefits Tax Repeal Act (H.R. 748), to repeal the 40 percent excise tax on employer-sponsored coverage, known as the Cadillac Tax, and the Jobs and Premium Protection Act (S. 80), to repeal the Health Insurance Tax (HIT).

Recently, the Partnership for Employer-Sponsored Coverage Coalition, which NAW helps manage, spearheaded two letters to both the House and Senate urging all Members of Congress to protect our businesses by fully repealing the Health Insurance Tax (HIT) and the Cadillac Tax once and for all.

Transportation/Infrastructure: The U.S. is currently experiencing a massive shortage of trained truck drivers. At this time 48 states permit the issuing of commercial drivers' license to 18 year-old drivers for *intra-state* commerce. However, current federal regulations require drivers in *interstate* commerce to be at least 21 years of age.

One legislative solution to bringing younger drivers into the trucking profession is S. 569, the Developing Responsible Individuals for a Vibrant Economy Act, also called the "DRIVE-Safe Act". This legislation would allow employers to provide CDL holders below the age of 21 with an extensive apprenticeship program that will prepare them to be able to drive in interstate commerce. Companion legislation has been introduced in the Senate as H.R. 1374.

NAW has actively been working with the House Transportation & Infrastructure Committee, as well as with allied trade associations through the DRIVE-Safe Coalition, to urge Congress to support and pass this important legislation. [Click here](#) to read the coalition letter of endorsement for S. 569, and [click here](#) to read the letter of endorsement from H.R. 1374.

Political/election law: This week the House of Representatives began debate on the Democrat controlled chamber's signature legislation, H.R. 1, the misleadingly named "For the People Act of 2019." This 600-plus page piece of legislation would make wholesale changes to America's election and lobbying laws and regulations. However, in reality it would greatly harm the ability of individuals and trade association, including NAW, to speak freely, organize, and advocate for better government.

H.R. 1 would create stringent new reporting requirements for advocacy groups and supporters, as well as impose unworkable standards controlling the discussion of policy issues with the public and elected officials. At its core, this bill is a thinly veiled attempt to suppress the First Amendment rights of trade associations and businesses, while leaving trade unions largely unaffected.

The bill would force any organization or individual that funds advertisements about legislative and policy issues to file publically available reports listing whether they "promote," "attack," "support," or "oppose" any candidate or elected official they mention in their advocacy communication. It would also require nonprofit groups and trade associations to publically disclose the names and addresses of many of their supporters.

The bill also includes provisions that would hold directors and officers of groups *personally* liable for violations of this law. Particularly troubling, the legislation would turn the currently non-partisan Federal Election Commission (FEC) into a fully partisan commission (much like the National Labor Relations Board).

NAW has been working with Senate leadership to ensure this legislation is not taken up in the upper chamber when it eventually passes the House of Representatives. [Click here](#) to read a letter NAW sent to all members of the House of Representatives.

We will continue to update you on these and other important issues.