



**WORLD FLOOR COVERING
ASSOCIATION**

**CONTACT:
Leah Gross
Story Dept.
818-864-6363
leah@storydept.net**

World Floor Covering Association Continue Lobbying Efforts on Behalf of Members in Washington, DC

Key Issues Including Tax Reform, Health Plans and Advocating on Behalf of Smaller Retailers at the Center of the Discussions

December 13, 2018 – *Dalton, GA* —The World Floor Covering Association continues its efforts to ensure that members are represented and their voices heard in Washington, DC and state capitals. WFCA's lobbying team of Chief Executive Officer, Scott Humphrey; WFCA General Counsel, Jeffrey King, and Lobbyit the Association's retained lobbying group based in Washington, regularly meets with Congressional Senators and Representatives, their staffs, and various regulatory agencies, review and comment on proposed legislation and regulations, and work with members to advocate for the professional flooring dealer and contractor.

In addition to the advocating on the topics released in August of this year, below is an update on some additional key activities and proposals WFCA has been focused on throughout 2018:

Tax Reform: WFCA continues to be actively involved in advocating for tax reform across the country. One central concern of this effort has been to ensure Subchapter S Corporations, and not just C corporations, saw a tax cut under the tax reform that passed in Congress late last year. To provide a tax cut for S Corporations, a company can reduce its qualified income by 20%. The new law makes it more complicated to determine whether a flooring dealer or contractor should elect to pay taxes at the new 21% C Corporation rate or should pass through all the company's income to the owners like a S Corporation with the 20% deduction from company's qualified income. To assist in determining what is best for each flooring dealer, WFCA has published an explanation of the new law and identified the factors to consider in making the choice in the current and next issue of its magazine, *Premier Flooring Retailer*.

PAGE 2

The WFCAs lobbying team also advocated for several other changes to assist small businesses, some of which ultimately found their way into the final legislation. These included advocating for full expensing of business equipment for assets, the repeal of the alternative minimum tax, and lowering the top income tax bracket. WFCAs is actively seeking some amendments to the law to correct the inadvertent loss of certain deductions, such as the deduction for capital improvements for retailers.

Federal Apprenticeship Programs: WFCAs attended meetings with the recently created Federal Task Force on Apprenticeship Expansion. The Task Force produced a series of recommendations to the Department of Labor and the President on ways to expand industry-led apprenticeship programs. Lobbyit is assisting WFCAs's research efforts into the possibility of setting up such a program with federal funds to attract and train new flooring installers.

State Action: As it has always done, WFCAs continues to monitor state actions on issues that impact its members, like independent contractor laws and workers' compensation proposals. In particular, WFCAs has been reviewing California's Carpet Stewardship Program and proposed increases in the assessment on carpet sold in California and its labeling requirements under Proposition 65. The WFCAs is also opposing the recent California Supreme Court decision adopting a new very stringent test for independent contractors and discussing supporting litigation filed against the new test.

Small Business: In addition to the activities listed above, as part of a concerted effort to support the local retailer, the WFCAs plays an active role with the Small Business Administration's Roundtable where issues that impact flooring dealers and contractors are regularly discussed. WFCAs also assists members on a local level in preparations for town and state led meetings of the Small Business Administration where they are able to discuss overbearing regulations on a regional level.

Association Health Plans: WFCAs has been active in advocating to allow Association's like WFCAs and Certified Flooring Installers (CFI) to offer health insurance plans to its members. As a result of the U.S. President's Executive Order on providing more flexibility to the health insurance marketplace, the Department of Labor issued a proposed regulation to allow employers of all sizes to band together to purchase large group health plans.

-MORE-

PAGE 3

WFCA submitted detailed comments to the agency largely supporting the effort, with a number of suggestions to improve the opportunities to offer affordable health insurance to its members. Many of WFCA's suggestions were incorporated into the final regulation, which was released in June of this year. Following this ruling the WFCA immediately began work on identifying an affordable health plan to offer its members and their employees. More information on this exciting announcement will be available in the near future.

What's next? Updates on WFCA and LobbyIt's efforts with constituents in Washington DC and across the country will continue on a periodical basis. To find out more about how you can help your organization address legislative and regulatory issues please visit <https://wfca.org/page/current-legislative-action>.

ABOUT WFCA

The World Floor Covering Association (WFCA), the official sponsor of the annual Surfaces tradeshow, is the floor covering industry's largest advocacy organization, representing floor covering retailers, contractors and allied service providers throughout North America.

The WFCA is a recognized leader in marketing research and industry programs for flooring professionals. In addition, it publishes the only retailer-oriented trade periodical, *Premier Flooring Retailer*. As part of its mission to enhance the business environment for the independent flooring retailer the WFCA acquired the Certified Floorcovering Installers Association (CFI) in an effort to resolve the industry's largest issue – the shortage of qualified installers. The WFCA runs fcB2B, an organization committed to helping business in the industry transition to an e-commerce platform for all business transactions. The WFCA also influences public policy affecting the floor covering industry and consumers. For more information about the WFCA, visit WFCA.org.

#