Dealer Advisory April 20, 2020



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A regularly updated **"Coronavirus Toolkit"** is available within the MADA website. From the home page, go to the *FAQ* tab and select *Coronovirus Toolkit* or <u>click here</u>.

Modified Guidance from the Federal Government on the Essential Workforce (does not currently affect MI dealers)

Late Friday, April 17, the Department of Homeland Security and the Cyber and Infrastructure Security Agency (DHS/CISA) again modified guidance on the essential workforce to include automobile sales and leasing with the following definitions:

Workers critical to the manufacturing, distribution, sales, rental, leasing, repair, and maintenance of vehicles and other transportation equipment (including electric vehicle charging stations) and the supply chains that enable these operations to facilitate continuity of travel-related operations for essential workers. Version 3.0, released April 17, is available <u>here</u>.

When releasing the new guidance, the CISA director clarified that "This guidance is not a federal mandate, and final decisions remain with state and local officials, who must determine how to balance public health and safety with the need to maintain critical infrastructure in their communities."

This is a great win for the industry; however, **at this time the federal guidelines** <u>do not</u> change anything for Michigan dealerships. The executive order that we are currently under specifically references the original March 19, 2020 CISA document.

Question: How does the new CISA designation affect dealers in Michigan today?

Answer: The new CISA **DOES NOT CHANGE ANYTHING** in Michigan regarding auto sales. Governor Whitmer's Executive Order <u>2020-42</u> specifically references the CISA document dated March 19, 2020. Section 8 of the governor's EO 2020-42 reads:

For purposes of this order, critical infrastructure workers are those workers described by the Director of the U.S. Cybersecurity and Infrastructure Security Agency in his guidance of March 19, 2020 on the COVID-19 response (available <u>here</u>). This order does not adopt any subsequent guidance document released by this same agency.

Question: Will Governor Whitmer adopt the new CISA document?

Answer: MADA, DADA, ADM and many other businesses are asking Governor Whitmer to adopt the new CISA document dated April 17, 2020 as soon as possible, and no later than April 30, 2020.

Question: If the new CISA document is adopted in Michigan, does this mean business is back to normal?

Answer: **NO.** The governor still has authority to limit business activity and can develop additional requirements to begin reopening businesses. This could include requirements such as: limiting the

number of people in gatherings or business environments, continuing to require social distancing, maintaining CDC cleaning requirements and requiring PPE.

Michigan Updates

Michigan Treasury Issues Guidance About New Tax Deadlines for Individuals, Businesses

Apr. 17 -- Under Executive Order 2020-26 signed by Gov. Gretchen Whitmer, all April 2020 state income tax filing deadlines in Michigan have been pushed back to July 2020 as a part of continued efforts to help Michiganders during the COVID-19 pandemic.

Individual income tax returns and payments due on April 15 are now due before midnight on July 15, 2020. Businesses that file corporate income tax annual returns by April 30 have until July 31 to file and pay.

All penalties and interest will be waived until the new deadlines in July 2020.

- Press release
- Additional taxpayer guidance

UIA Provides Resources to Help Workers Certifying Unemployment Claims

Apr. 17 -- The Michigan Unemployment Insurance Agency has developed new resources to help Michigan workers certify their unemployment claims. The agency also wants claimants to know that Mondays generally have the highest number of logins and web interactions. When possible, certify throughout the week and during off-peak hours

- Press release
- Video tutorial on certifying claims
- Info graphic on the process

'Stay Home, Stay MIndful' website Offers Free Mental Health Resources During COVID-19 Pandemic

Apr. 17 -- Governor Gretchen Whitmer has announced the Stay Home, Stay MIndful website in partnership with Headspace, a global leader in mindfulness and meditation, and the Michigan Department of Health and Human Services (MDHHS) to provide a new mental health resource for Michiganders to access for free during the COVID-19 pandemic facing both the state and nation.

Michiganders across the state can access a specially-curated collection of science-backed, evidencebased guided meditations, along with at-home workouts that guide people through mindful exercises, sleep and kids content to help address rising stress and anxiety.

- Press release
- Stay Home, Stay MIndful website

News from NADA

Please make sure you are checking out the **NADA Coronavirus Hub** for important documents, links and informational webinars, such as the following:



Upcoming Dealership Lifeline Webinars

Reminder: your NADA passcodes are required and "seating" may be at capacity. If you are not able to view live, webinars will be available on demand within 24 hours.

Digital Retailing Disruption - The Dealer Perspective

April 21, 2020 | 1pm-2pm ET (register)

Join NADA Academy Instructors Georgia Munson, Michael Lucki and Matthew Vollmers as they discuss the results of a Digital Retailing Dealer Survey and provide examples of adjustments to the sales process to be more customer- and employee-centric.

How to Kick Start Auto Leads During and After COVID-19 Disruptions April 22, 2020 | 1pm-2pm ET (register)

Lead profitability is a function of lead quality. In the wake of COVID-19, dealers can't afford to waste time or money on ineffective leads. Join Matt Niess, Director of Business Development at automotive Mastermind, to learn about how to get away from antiquated marketing methods, kick-start auto leads during and after COVID-19 disruptions, and ramp up your CX.

To view NADA's on demand coronavirus webinars, please go here.

NADA Provides Guidance for Dealers with PPP Loans

Apr. 17 -- If you have received a PPP loan, review <u>NADA's PPP Loans: Use of Proceeds and</u> <u>Forgiveness NADA Preliminary Guidance</u>, which provides valuable insights on the forgiveness elements of the PPP loan program. Many dealers have been able to obtain PPP loans and need further clarification on how to properly apply them. NADA's latest analysis provides guidance for dealers on how they can use the proceeds from the loan; where they can apply them; and to what extent the loan can be forgiven. If a PPP loan is forgiven, it effectively becomes a grant from the federal government to the borrower. NADA urges all dealers with a PPP loan to review the guidance carefully. Note: this information is preliminary and does not reflect the additional guidance NADA expects to obtain from SBA and Treasury, which will be circulated as soon as it is received.

Dealership Health and Safety Concerns During A Pandemic

Apr. 16 -- NADA's latest FAQs, "Dealership Health and Safety Concerns During A Pandemic," outline the steps dealerships can take to provide a safe environment for their employees, followed by frequently asked questions related to occupational health and safety law during the pandemic and what steps to take should an employee test positive for covid-19. <u>Download the FAQs</u>

Other Articles You May Find Interesting...

Detroit News -- Feds recommend auto sales be listed as an essential service

The federal government is recommending that auto sales be deemed an essential during the coronavirus pandemic, a move that would contradict an executive order signed by Gov. Gretchen Whitmer that prohibits in-person car sales...

Fenner, Melstrom & Dooling, PLC -- <u>COVID-19 Update: Maximizing the Benefit of the</u> <u>Paycheck Protection Program (PPP) Loan</u>

Congratulations, you made it through the first wave of uncertainty and confusion and have received your PPP Loan Proceeds. Now what? How does your business maximize the benefits of this program?

Please feel free to contact DADA at (248) 643-0250 or MADA at (800) 292-1923 if you have any questions.

This advisory has been prepared in conjunction with

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