

Dealer Advisory

April 3, 2020



Trouble viewing this message? [View as Webpage](#)

Gov. Allows Very Limited, Emergency Auto Sales

Governor Whitmer has updated the FAQ companion document to Executive Order 2020-21, which temporarily suspends activities that are not necessary to sustain or protect life. Previously, this FAQ document simply stated that "auto sales are closed."

Effective April 3, 2020, Michigan's car and truck dealers may offer some, **very limited**, emergency sales transactions. No additional sales are allowed or contemplated in this FAQ. The governor's order continues to state that showrooms are closed except for this very narrow exception.

UPDATED: [Executive Order 2020-21 FAQs](#)

Q: Are automotive dealership workers considered critical infrastructure under Executive Order 2020-21?

A: Under Executive Order 2020-21, showrooms of automotive dealerships are closed, but the automotive repair and maintenance components of a dealership can remain open for in-person work, so long as that work is done in accordance with section 5 of the order.

There is one very narrow circumstance under which a dealership may engage in in-person sales. *[emphasis added]* Under section 9(d) of the order, a business may engage in in-person work if it is to "provide food, shelter, and other necessities of life for economically disadvantaged or otherwise needy individuals, individuals who need assistance as a result of this emergency, and people with disabilities."

Consistent with this tightly circumscribed category of in-person work, a sale at a dealership may occur if it must be carried out in person and if it is absolutely necessary to assist someone with a genuine and emergent need (such as a critical infrastructure worker whose vehicle has been damaged beyond repair and who has no other means of transport to his or her work). These circumstances are expected to be satisfied very rarely. An in-person sale that occurs under these conditions must be done by appointment and in accordance with section 5 of the order, including the mitigation measures listed in section 5(c). *[A screen clip of (c) is available [here](#).]*

- *9(d) For purposes of this order, critical infrastructure workers also include: Workers and volunteers for businesses or operations (including both and religious and secular nonprofit organizations) that provide food, shelter, and other necessities of life for economically disadvantaged or otherwise needy individuals, individuals who need assistance as a result of this emergency, and people with disabilities.*

Notes:

If a customer meets the conditions specified in the updated FAQ, only then may a dealer commence an appointment sales transaction with the customer - and these sales must be handled under strict CDC guidelines. Showrooms are still closed to the public, but may be used for the limited exceptions listed above.

Each sale must include the following documentation:

- Customer must provide a Critical Infrastructure Worker (CIW) letter from his/her employer.

- If the customer does not have a CIW letter, the customer must supply the dealer with: company name, address, phone number and contact name.
- Customer must provide a short narrative explaining the reason a vehicle is needed.
- Dealer must make a copy of both and keep in the deal jacket.

Dealers must implement strict guidelines for sales professionals and delivery personnel to complete these sales. When an appointment is scheduled at the dealership, every precaution should be taken to ensure your team and the customer is comfortable, safe and the process is completed in a timely fashion. When a customer is at your dealership, certain steps should be taken.

- Only allow the exempted customers in the building for the appointment.
- Enforce social distancing between employees and the customers.
- Vehicles should be regularly and thoroughly cleaned, following CDC guidelines.
- It is the dealer's decision to allow solo test drives, or avoid test drives completely because of the inability to perform proper six-foot social distancing. If test drives are permitted, the vehicle should be thoroughly cleaned before and after.
- Use a room that allows for proper distancing to complete the sale. The room should be cleaned prior to use and after the customer leaves.
- Paperwork should be signed and placed in clean packaging for the customer to take home.
- Employees should not be permitted to gather socially.

It will be critically important that dealerships continue cleaning and disinfection of all office spaces used, as well as vehicles in your showroom. **Please review the CDC's recommendations for [disinfecting your facility](#).**

Note: all transaction paperwork completed through CVR should continue to be mailed to the SOS within the normal time frame.

All transactions that cannot be completed through CVR will require special arrangements to be completed. When not processing through CVR, dealers must complete the proper paperwork, hold the paperwork, and email a copy of each completed RD-108 to MADA's Debbie Stapleton-Korn (dkorn@michiganada.org). She will make arrangements for delivery to the appropriate SOS office.

Whether the transactions are processed via CVR or the branch, **there will be a delay** in the title being mailed to the end user.

When conducting in-person operations, dealers must follow the main tenet of Executive Order 2020-21, which is to “sustain or protect life.” Every action dealers take under the new directive must strive to do this for customers and employees. We have the opportunity to provide residents of Michigan with critical access to motor vehicles if the need should arise, and we must take every precaution to ensure that we offer a safe and healthy atmosphere for everyone in our facilities.

Below are important links to information to ensure that your store is in compliance with the governor's declared state of emergency. It is imperative that dealerships strictly follow the guidelines and minimize the number of people in the store. Failure to do so may result in fines and/or license revocation.

The White House

[President's Coronavirus Guidelines for America](#)

Includes the avoidance of gatherings of 10 or more

Centers for Disease Control & Prevention

[CDC Coronavirus Main Information Portal](#)

[Interim Guidance for Businesses and Employers to Plan and Respond to Coronavirus Disease](#)

[Cleaning and Disinfection Recommendations](#)

U.S. Department of Labor, Occupational Safety and Health Administration

[Guidance on Preparing Workplaces for COVID-19](#)

U.S. Department of Homeland Security

[Guidance on the Essential Critical Infrastructure Workforce](#)

Michigan Department of Health and Human Services

Interim Recommendations for COVID-19 Community Mitigation Strategies

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
Colombo & Colombo, P.C., and Abbott Nicholson, P.C.*

Michigan Automobile Dealers Association

1500 Kendale Boulevard, P.O. Box 2525

East Lansing, MI 48826-2525

www.michiganada.org

Phone (517) 351-7800

Fax (517) 351-3120

Detroit Auto Dealers Association

1900 West Big Beaver

Troy, MI 48084-3537

www.dada.org

Phone (248) 643-0250

Fax (248) 643-8788