Dealer Advisory

June 2, 2020



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Michigan Enters Stage 4 of the Gov's Safe Start Plan

As a result, Michiganders are no longer required to stay home

On Monday, Governor Whitmer signed <u>Executive Order 2020-110</u>, rescinding her Safer at Home order and moved the entire state to phase four of the MI Safe Start Plan. As a result, Michiganders are no longer required to stay home, effective immediately. Instead, certain businesses will remain closed and specific activities that present a heightened risk of infection will remain prohibited.

Those businesses remaining closed for the time being involve activities with close contact and shared surfaces, including gyms, hair salons, indoor theaters, tattoo parlors, casinos, and similar establishments.

What this means for dealers...

- Effective June 4, appointments are no longer required to visit a dealership.
- Workplace safety guidelines outlined in <u>Executive Order 2020-97</u> are still in effect. This
 includes keeping at least six feet from one another to the maximum extent possible and
 continuing the use of face coverings.
- Dealerships must develop a COVID-19 preparedness and response plan by June 1, 2020, or within two weeks of resuming in-person activities, whichever is later. Please see this preparedness plan template from Colombo & Colombo, PC. (It must be tailored to each dealership.)
- Abbott Nicholson, PC has created a <u>checklist</u> dealers may want to use to help meet the requirements detailed in Executive Order 2020-97.
- Reminder: Section 1(g) of EO 2020-97 requires face coverings to be worn when employees
 cannot consistently maintain six feet of separation from other individuals in the workplace,
 and consider face shields when employees cannot consistently maintain three feet of
 separation from other individuals in the workplace.

Executive Order 2020-110

Sections of significance to dealerships...

Section 4. Any individual who leaves his or her home or place of residence must:

- (a) Follow social distancing measures recommended by the Centers for Disease Control and Prevention ("CDC"), including remaining at least six feet from people from outside the individual's household to the extent feasible under the circumstances.
- (b) Wear a face covering over his or her nose and mouth—such as a homemade mask, scarf, bandana, or handkerchief—when in any enclosed public space, unless the individual is unable medically to tolerate a face covering.
 - (1) An individual may be required to temporarily remove a face covering upon entering an enclosed public space for identification purposes. An individual may also remove a face covering to eat or drink when seated at a restaurant or bar.

• (2) Businesses and building owners, and those authorized to act on their behalf, are permitted to deny entry or access to any individual who refuses to comply with the rule in this subsection (b). Businesses and building owners will not be subject to a claim that they have violated the covenant of quiet enjoyment, to a claim of frustration of purpose, or to similar claims for denying entry or access to a person who refuses to comply with this subsection (b).

Section 5. Indoor social gatherings and events among persons not part of a single household are permitted, but may not exceed 10 people.

Section 11. Stores that were closed under Executive Order 2020-96 (or that were open only by appointment under the same order) must remain closed to the public (or open only by appointment) until June 4 at 12:01 am. Such stores may then resume normal operations, subject to local regulation and to the capacity constraints and workplace standards described in Executive Order 2020-97 or any order that may follow from it.

SOS Branches Have Reestablished Public Operations

All Secretary of State offices reopened to the public on June 1. To protect staff and public health, offices will only provide services to the public by appointment, and only offer critical services that cannot be completed online, by mail or at a self-service station.

Until further notice, commercial/dealer work through branches will be completed by drop off/pick up only. Once you drop off your transactions, a branch office clerk will process them as soon as possible and contact you when they are ready for pick up. (Please use this form.) Turnaround time may be up to five business days.

If you are not already on the CVR program, it is highly encouraged that you look into doing so. Please contact Debbie Stapleton-Korn at dkorn@michiganada.org for more information. CVR can expedite many of your transactions and minimize your need for branch office visits.

As a reminder, any upcoming commercial client appointments you had scheduled have been canceled.

The state will continue to provide information to dealers regarding any future changes. They appreciate your cooperation and understanding as they continue to restart branch office services.

MIOSHA Launches New Site for COVID-19 Workplace Safety

MADSIF would like to remind dealers that the Michigan Occupational Safety and Health Administration (MIOSHA) within the Dept. of Labor and Economic Opportunity (LEO) launched a new online COVID-19 Workplace Safety site – Michigan.gov/COVIDWorkplaceSafety – the site provides guidance and a toolkit of resources to keep workplaces safe as sectors of the state's economy reopen.

With the continued risk of COVID-19 spread, everyone in the workplace must take necessary precautions. The site includes MIOSHA issued guidelines, posters for employees and customers, factsheets, educational videos and a reopening checklist – all of which will help businesses safely reopening their doors.

Michigan Work Share Program

Informational webinars offered every day this week

Many dealers have been inquiring about Michigan's Work Share program. This program allows employers to restart their business and bring employees back from unemployment. Employers can bring employees back with reduced hours - while employees collect partial unemployment benefits to make up a portion of the lost wages. Employers can also retain their current workforce and are given the flexibility to choose which of their employees are part of a Work Share plan.

As a result of Governor Whitmer's <u>Executive Order 2020-57</u>, Michigan's Work Share program eligibility requirements have been expanded.

If business demand is down, employers participating in workshare can preserve their workforce while reducing hours and wages by 10 - 60%.

- Waived the length of time requirement that employers must be in business.
- Waived the requirement that employers have a current or positive balance with UIA.

Work Share Requirements:

- Employers are given flexibility to organize which employees are in a Work Share plan.
- A plan must include a minimum of two employees and an employer can have multiple plans.
- Plans may be approved for a period of up to 52 consecutive weeks.
- Employee hours/wages may be reduced by a minimum of 10% up to a maximum 60%.
- Part-time employees are eligible, but Work Share does not apply to seasonal, temporary, or intermittent employment.
- Employer must obtain approval of any applicable collective bargaining unit representative.
- Employers participating in Work Share cannot modify employees fringe benefits.

Under the Federal CARES Act:

• Employees that receive a percent of Michigan unemployment benefits (including Work Share) also receive an additional \$600 federal payment in Pandemic Unemployment Assistance through the CARES Act through July 2020.

Dealers are encouraged to learn more about this program at www.Michigan.gov/WorkShare. Informational employer webinars will also be held this week: Tuesday at 1:30 pm, Wednesday, at 1:30 pm, Thursday at 9 am, and Friday at 9 am. Please see the work share webpage for registration links and more information.

Upcoming Webinars This Week

NADA Lifeline Webinars

June 3, 1-2pm ET ~ Preparing Your Parts Department for After COVID-19 How digital parts commerce can help dealerships during and after a crisis.

June 4, 1-2pm ET ~ The Future of Dealer Technology: Leading Innovation in Automotive

How business leaders are developing short- and long-term technology strategies to deliver superior customer experiences, optimize spend on enterprise technology and drive alignment and continuity across their organizations.

June 5, 1-2pm ET ~ The Best Ideas from NADA 20 Groups, Part 6: In Times of COVID-19
Pandemic

Review some of the best new ideas from NADA 20 Groups during these unprecedented times.

UHY LLP

June 3, 3-4pm ET ~ ABCs of PPP loan forgiveness

You've received your Paycheck Protection Program loan from the SBA, now what? Learn how to take the steps that ensure the government forgives your loan—keep your employees and keep the money.

Plante Moran

June 4, 2-3pm ET ~ Preparing for your 2019 employee benefit plan audit amid COVID-19
Getting ready for your 2019 annual employee benefit plan audit takes time and resources. Join our webinar to learn what best practices our experts recommend during these unprecedented times.

New Guidance from Fisher Phillips

NEW! -- COVID-19 Employment Litigation and Class & Collective Actions

The COVID-19 Employment Litigation Tracker includes cases that were a direct result of the COVID-19 pandemic and are traditional employee vs. employer cases - both individual plaintiff and class actions.

May 29 -- Post-Pandemic Back-To-Business FAQs For Employers

New FAQs include:

- If our employee requests EPSL or EFMLA during summer vacation based on unavailability of childcare, should we grant the request?
- Can we use COVID-19 waivers to limit our liability with respect to employees or guests?

May 30 Legal Alert -- <u>Businesses That Mandate Masks For Employees And Customers Need</u> To Consider ADA Issues

Businesses should not forget that, despite the onset of COVID-19 and drastic measures taken by local, state, and federal governments, the provisions of the Americans with Disabilities Act (ADA) still apply to employers and places of public accommodation. What do you need to know about this issue to avoid legal liability?

May 30 Legal Alert -- <u>Covert Costs Of The COVID-19 Pandemic: Expense Reimbursement</u> For Remote Workers

The shift to remote work, even though crucial in these unprecedented times, has placed additional obligations on some employers who may now be on the hook for teleworking expenses incurred by employees. A frequent question is whether a company is required to reimburse its employees their expenses for remote work, including cell phone and internet usage.

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.

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