

Dealer Advisory

March 27, 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 *Coronavirus Toolkit* or [click here](#).

Governor Whitmer Takes an Aggressive Stance on the Michigan Shutdown

Since the initial order to "stay home, stay safe," Governor Whitmer has further clarified certain businesses or industries should consider themselves non-essential and close their doors during this shutdown. As we notified dealers in the March 26 advisory, at this time, no exemptions have been granted to any of the industries requesting small exceptions in an effort to continue serving residents of Michigan in a nominal manner.

We understand other states have made exceptions for select businesses, include dealership sales. Members can be assured that as soon as we hear about dealership updates from other states, we pass that information along to the governor's office so she is aware how her counterparts are handling similar situations.

MADA and DADA will continue to communicate with the governor's team to ask about limited exceptions for certain vehicle sales that should be considered necessary for the continued health, safety or financial well-being of Michigan residents. (i.e. replacement of totaled vehicles so families can get to the grocery store, helping newly unemployed families trade into a low-payment vehicle, sales of delivery vehicles, etc.)

Auto repair and maintenance departments are still considered essential and may remain open.

Video: March 26, Governor Whitmer Press Conference

<https://www.youtube.com/watch?v=apcisVA3paQ>

In discussing the "stay home, stay safe" order, Governor Whitmer states:

- It is the most aggressive of any state in the country and it will save lives, but it depends on you doing your part. (2:58)
- The order that I issued on Monday will take a little while before we see the impact of it. (16:50)

NEW! *and updated resources from the* **Michigan Unemployment Insurance Agency**

- [Employee FAQ: COVID-19 and Unemployment Benefits](#)
- [Employer FAQ: COVID-19 and Unemployment Benefits](#)
- [UIA Michigan Employer Informational Webinar](#)

NEW! Important FAQs Added to DOL Web Page

Mar. 27 -- U.S. Dept. of Labor updates guidance

[Federal FAQ: Families First Coronavirus Response Act \(FFCRA\)](#)

Many critical questions have been added to the U.S. Department of Labor's FAQ document. We encourage dealers to review the full set of FAQs for updates, but we would like to highlight the following. These are just two of the many FAQs that appear to answer the questions about whether or not the Families First Coronavirus Response Act applies to employees whose employer was mandated to close due to a state shutdown.

#23 ~ If my employer closed my worksite before April 1, 2020 (the effective date of the FFCRA), can I still get paid sick leave or expanded family and medical leave?

No. If, prior to the FFCRA's effective date, your employer sent you home and stops paying you because it does not have work for you to do, you will not get paid sick leave or expanded family and medical leave but you may be eligible for unemployment insurance benefits. This is true whether your employer closes your worksite for lack of business **or because it is required to close pursuant to a Federal, State, or local directive.** *[emphasis added]* You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility.

It should be noted, however, that if your employer is paying you pursuant to a paid leave policy or State or local requirements, you are not eligible for unemployment insurance.

#24 ~ If my employer closes my worksite on or after April 1, 2020 (the effective date of the FFCRA), but before I go out on leave, can I still get paid sick leave and/or expanded family and medical leave?

No. If your employer closes after the FFCRA's effective date (even if you requested leave prior to the closure), you will not get paid sick leave or expanded family and medical leave but you may be eligible for unemployment insurance benefits. This is true whether your employer closes your worksite for lack of business **or because it was required to close pursuant to a Federal, State or local directive.** *[emphasis added]* You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility.

Please see the full FAQ for additional and important information for your business and employees. [Federal FAQ: Families First Coronavirus Response Act \(FFCRA\)](#)

Additional guidance...

DOL's web page for [COVID-19 and the American Workplace](#)

Mar. 24 -- Legal alert from Fisher Phillips

[Labor Department Offers Guidance On Families First Coronavirus Response Act](#)

U.S. Department of Labor Stimulus Packages

The federal government has been working on multiple aid and stimulus programs to assist businesses and employees. With all the information dealers are receiving, we understand it can be a bit challenging to sort through it all. Following is just a quick overview of the federal stimulus packages.

Families First Coronavirus Response Act (FFCRA) *signed into law, effective April 1*

(Also referred to as Phase 2) FFCRA gives all American businesses with fewer than 500 employees funds to provide employees with paid leave, either for the employee's own health needs or to care for family members. This act contains two subsections:

Subsection 1: Emergency Paid Sick Leave Act

Generally, the Act provides that covered employers must provide to all employees:

- Two weeks (up to 80 hours) of paid sick leave at the employee's regular rate of pay where the employee is unable to work because the employee is quarantined (pursuant to Federal, State, or local government order or advice of a health care provider), and/or experiencing COVID-19 symptoms and seeking a medical diagnosis; or
- Two weeks (up to 80 hours) of paid sick leave at two-thirds the employee's regular rate of

pay because the employee is unable to work because of a bona fide need to care for an individual subject to quarantine (pursuant to Federal, State, or local government order or advice of a health care provider), or care for a child (under 18 years of age) whose school or child care provider is closed or unavailable for reasons related to COVID-19, and/or the employee is experiencing a substantially similar condition as specified by the Secretary of Health and Human Services, in consultation with the Secretaries of the Treasury and Labor.

Subsection 2: Emergency Family and Medical Leave Expansion Act

A covered employer must provide to employees that it has employed for at least 30 days:

- Up to an additional 10 weeks of paid expanded family and medical leave at two-thirds the employee's regular rate of pay where an employee is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19.

[Please read more here.](#)

Coronavirus Aid, Relief and Economic Security Act (CARES)

passed by the senate and house, awaiting signature from the president

(Also referred to as Phase 3) If signed into law, would allow small- and medium-sized businesses to receive federal loans – in some cases forgivable – to cover payroll and other expenses. Expands unemployment benefits for workers impacted by the outbreak, while extending unemployment eligibility to many who are otherwise not regularly entitled to receive such benefits.

Note: This is a very extensive bill. Once approved we anticipate there will be further discussion on interpretation of the law and how to apply for assistance. Please stay up to date with future advisories and federal guidance.

Additional guidance...

NEW! *Mar. 26 -- Legal Alert from Fisher Phillips*

[Overview: Coronavirus Aid, Relief and Economic Security \(CARES\) Act](#)

NADA Launches Coronavirus Hub

[Coronavirus Hub](#) is a special website section to keep dealers current on coronavirus developments, including health and safety; government advocacy; regulatory and compliance issues; industry and business operations; workplace concerns; media updates; and more.

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

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