



**\*\*\*The following message does not address Governor Ralph Northam's Executive Order 55, announced Monday, March 30, 2020. Please check your inbox or [click here](#) to learn how the Governor's latest directive impacts the franchised new car and truck dealers of Virginia.**

**March 30, 2020**

Greetings from VADA,

As we near the start of April, I know questions persist about the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

In the days leading up to the April 1 effective date of the FFCRA, dealers have called me, wondering what to do with their workforce—whether they should cut salaries, scale back on number of employees, or hold on knowing federal relief is on its way.

That's understandable. Amidst the continued spread of COVID-19, Virginia dealers have fortunately been allowed to continue sales and service operations for the public good. But it is hardly business as usual, with heightened sanitizing obligations, abnormal social distancing requirements, and frustratingly low sales and service revenue. As such, you have questions and need answers now.

We get that. Trust me, this has been a new experience for all of us. As a group used to leading and solving problems, VADA staff and I are doing everything we can to provide you with the latest, most complete information, aware that we occasionally must wait for others to help in that process—for example, we all must wait on federal agencies to completely understand new laws.

Today, I point you to the following about the FFCRA and the CARES Act. We also share with you a statement for employees, if there is a need for them to ever prove their employment at an essential business. Below you will find language you can place on a sign, asking customers to use their own judgment—based on personal health or symptoms—before entering your store(s). We also include the article we put together about what to do if an employee tests positive for COVID-19.

Of course, each daily memo, the materials mentioned therein, and helpful links are posted to our online resource center at [www.vada.com/coronavirus](http://www.vada.com/coronavirus). If there is more or different information you want from us, please let us know. We are here to help.

### **FFCRA**

Since last Friday, the U.S. Department of Labor (DOL) has updated its online [question and answers document](#), which is extremely helpful for inquiries related to the FFCRA. For your benefit, we have gone through all 59 Q&As and compiled the ones we believe are most pertinent you. [Click here for that.](#)

As we expressed last week, the DOL website also contains fact sheets about [employee paid leave rights](#) and [employer paid leave requirements](#), Q&As about the [Fair Labor Standards Act \(FLSA\)](#) and the [Family and Medical Leave Act \(FMLA\)](#), plus the [poster of notice](#) dealers must display in accordance with the FFCRA and [FAQs](#) about that notice requirement.

### **CARES Act**

Many out there are wondering about the CARES Act. A big reason we don't have all the answers right now is that the U.S. Small Business Administration (SBA) has 15 days from the law's enactment last Friday to issue regulations. Just as the DOL took time to release guidance on the FFCRA, so too will the SBA as it relates to the CARES Act.

The National Automobile Dealers Association (NADA) is better positioned than we to influence and quickly obtain information about federal regulations. As we mentioned Friday, we are grateful for our strong, working relationship with NADA and will continue to collaborate with them to provide you with helpful and complete information as it becomes available.

In the meantime, I suggest this [helpful overview](#) of the CARES Act from our friends at Gentry Locke.

Also, please consider a joining a webinar this Wednesday, April 1, in which the accountants at Dixon Hughes Goodman LLP will discuss the new law. They will conduct the webinar twice, once in the morning and once in the afternoon, with a recorded option too. Please click [here](#) for morning and [here](#) for afternoon registration.

Lastly, understand franchised motor vehicle dealers with 500 or more employees seeking SBA loans under the new legislation may face issues or delays because of requirements that franchisors be involved in the loan process. We suggest that dealers seeking loans start the process with an SBA certified lender as soon as possible, but please look out for NADA guidance directed specifically to franchised motor vehicle dealers.

### **Statement for Employees**

Some have reached out asking if they need documentation proving they are an essential employee. The current answer to that is “no.” Employees in other states, which have different rules about non-essential retail operations, may need such documents to appear at their essential places of work, but that is not currently true in the Commonwealth.

That said, we have provided such a statement, or letter, you can distribute to your employees if they are questioned about their being away from home. If not legally significant, such document might be helpful to members of your organization. [Click here for the statement.](#)

### **A Sign for Customers**

Recently, a dealer called me and said the following: “A customer came into my store, purchased a car, and during the F&I process told my employee he might have COVID-19. What do I do?” Materials referenced above from the DOL plus information on our website from [SESCO](#) can help answer that question. But perhaps we can mitigate the threat of situations like the above by placing a sign at the door of our dealership(s) with a request for customer help. Consider this language:

“Thank you for visiting [insert dealership name]. We look forward to helping you with your transportation needs. Please know, our dealership is taking measures to promote the health and safety of our employees through enhanced sanitization and social distancing. Amidst the spread of COVID-19, we ask that you please use your best judgment regarding your personal health before entering the store. If you or a family member have experienced sore throat, shortness of breath, a fever, or other symptoms of the coronavirus, you may wish to work with our team online or over the phone when shopping for or purchasing a vehicle.”

The above is not governmental guidance but merely a suggestion as you consider business practices.

### **An employee at your dealership tested positive for COVID-19. Now what?**

The most frequent question dealers have asked of late is what to do if a member of their team tests positive for COVID-19. We distributed last Friday an article that seeks to answer that question. We include it again [here](#). It is also available at our online coronavirus resource center.

Thank you for your continued leadership. Please keep reaching out with questions or comments. More than ever, it is a pleasure to serve the new car and truck dealers of Virginia.

Sincerely,

A handwritten signature in black ink that reads "Donald L. Hall". The signature is written in a cursive style with a large initial 'D'.

Donald L. Hall  
President and CEO