



April 27, 2020

Greetings from VADA,

Earlier today, the U.S. Small Business Administration (SBA) resumed accepting loans under the Paycheck Protection Program (PPP). Also, NADA has updated its FAQs on the Coronavirus Aid, Relief, and Economic Security (CARES) Act in response to new guidance from the SBA and U.S. Treasury. Check out articles *Automotive News* published indicating U.S. auto sales may be better off than once feared considering the pandemic. And see Governor Ralph Northam's blueprint for relaxing restrictions designed to mitigate the spread of COVID-19.

The SBA is once again accepting PPP loan applications.

Friday (April 24), Administrator of the SBA Jovita Carranza and U.S. Treasury Secretary Steven Mnuchin announced the SBA would resume accepting PPP loan applications today, April 27 at 10:30 a.m. EDT. The announcement came after Congress passed and President Trump signed \$484 billion legislation last week, in part, to provide additional funding for the PPP. We reached the program's initial \$349 billion limit earlier this month. Read [the release](#).

What does this mean for you? If you previously submitted a PPP loan application, there is no need to resubmit. Rather, contact your lender to discuss next steps. Dealers considering applying for the first time should also contact an SBA-approved lender. Find eligible PPP lenders using [this tool](#). See [the SBA's PPP webpage](#) for more information.

NADA updates its CARES Act FAQs after recent guidance from the SBA and Treasury.

[Last week](#), we alerted you the SBA modified its [PPP FAQs](#), adding Question 31 about whether businesses owned by large companies with adequate sources of liquidity to continue operations qualify for a PPP loan. In response, NADA revised its [CARES Act FAQs](#) (Question 18) to reflect the SBA guidance and an [Interim Final Rule](#) the SBA issued Friday (April 24).

***Automotive News*: "Sales show early signs of recovery."**

In the last week of March, American auto sales saw a 59 percent dip relative to J.D. Power forecasts before the pandemic. But in the following weeks, those numbers steadily improved — to 55 percent, then 51 percent, then 48 percent in the week ending April 17. As *Automotive News* indicated in [an article](#) last week, the numbers have some believing the coronavirus will have a less significant impact on auto sales than once feared.

Today, the publication relayed more positive news, writing, "Auto sales are unquestionably ugly – and probably will be for a while – but they appear to be getting better, not worse." In today's feature titled, "[Sales show early signs of recovery](#)," *Automotive News* points to J.D. Power's president of data and analytics, Thomas King, who suggests auto sales are gradually returning to a "more normal" place.

Governor Northam provides “A Blueprint for Easing Public Health Restrictions” in the Commonwealth.

“We cannot and will not lift restrictions the way you turn on a light switch,” said Virginia Governor Ralph Northam, quoted in an article published Friday (April 24) evening by *The Washington Post*.

The proclamation is consistent with “[Forward Virginia: A Blueprint for Easing Public Health Restrictions](#),” which Governor Northam’s administration released last week. Therein, the administration indicates, “We are all in this together,” and that “Virginians are doing the right thing” by staying at home, wearing face coverings and practicing social distancing.” The publication also suggests Virginia is “taking aggressive action,” like closing schools and limiting social gatherings, to combat the spread of COVID-19. Before giving data and Virginia’s corresponding plans moving forward, the guidance reads, “Our hard work is delivering results.”

Governor Northam does not plan to relax restrictions in the Commonwealth until there have been 14 consecutive days of decline in (1) percentage of positive coronavirus tests and (2) number of hospitalizations due to COVID-19. The Governor also emphasized the importance of hospital capacity and enough personal protective equipment. When we have the above, the administration suggests, we can enter a phase one, which would mean “some businesses re-open with strict safety restrictions, continued social distancing, continued teleworking, [and] face coverings recommended in public.”

Read [The Washington Post article](#) plus related coverage from the [Richmond Times-Dispatch](#), [Roanoke Times](#), [Virginian-Pilot](#), and [Associated Press](#).

More than ever, it is a pleasure to serve the new car and truck dealers of Virginia.

Sincerely,



Donald L. Hall
President and CEO