



April 8, 2020

Greetings from VADA,

On this date in 1974, Atlanta Braves Outfielder Hank Aaron broke the record for career home runs with 715, surpassing the previous record of 714 held by Babe Ruth. Aaron was later inducted into the Major League Baseball Hall of Fame, and his accomplishments both on and off the field are celebrated by many to this day.

While most in the world will never experience hitting home runs in crowded stadiums, each day presents a new opportunity for all of us to be great in our own way. For instance, we can be a source of leadership and comfort to those around us: our families, friends, employees, customers, and others we encounter.

We don't work at ballparks, and children don't wear jerseys with our names on the back. But we do have our own teams and work in the communities we call "home," where cars frequently drive with our emblem reflected on a sticker or license plate frame. In times of prosperity and of peril, it is critical we continue to lead for the betterment of many.

This sports analogy is just meant to encourage each of us to be great today and every day. These are unprecedented, uncertain, and stressful times, but they provide tremendous opportunity for the franchised auto dealers of Virginia to really shine. Keep up the good work, and let us know how we can help.

In today's message, we highlight updates to our website plus NADA's FAQs (updated yesterday) on the Paycheck Protection Program (PPP). Also, read about how Congress is working to provide even greater support for the financial assistance made available by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. And watch the latest webinars – past and future – designed to help your organization in today's world.

Check out the new and improved VADA Coronavirus (COVID-19) Resource Center.

As the spread of the coronavirus continues, so too has our desire to provide you with current information and resources to help your business through this difficult time. If you haven't already done so, please be sure to check out our updated [VADA coronavirus webpage](#), which is organized into six sections for easy navigation and includes updated materials from our daily messages. The six topics are:

- | | |
|--|---|
| 1. Federal Legislation and Regulations | 4. VADA Updates (including daily memos) |
| 2. Virginia Legislation and Regulations | 5. External Resources |
| 3. Business Operations and Employee Management | 6. Benefits and Insurance |

We also provide a link to NADA's helpful [Coronavirus Hub](#). There, you can find all sorts of news, updates, and webinars pertaining to franchised car and truck dealers nationwide and learn the latest from Washington, D.C.

If there is more or different information or materials you want or need, please email Tommy Lukish at tlukish@vada.com or our communications partners, Kelley Communications, at jeff@kelleyus.com.

NADA has recently updated its materials on the Paycheck Protection Program.

Many questions persist about the PPP, created by the CARES Act, and how to obtain loans intended to encourage employee retention and continued business operations.

For instance, there's a \$10 million maximum loan limit per borrower, but how are the loan limits applied? Is it by rooftop, EIN, or entire company? Separately, what is the relevant time period to determine average monthly payroll? Are employer or employee taxes included? And we know payroll costs factor into the size of the potential loan, but should payments that an eligible borrower made to an independent contractor or sole proprietor be included in calculations of the eligible borrower's payroll costs?

Thankfully, NADA continues to update its valuable [FAQs document](#) (*updated April 7, 2020*) to provide you with the latest on the PPP. **Note, SBA guidance and CARES Act language are occasionally in conflict. Also, some recent SBA guidance is inconsistent with previous SBA publications.** If your organization is considering or pursuing a PPP loan, be sure to review the most recent version of NADA's FAQs document, which answers PPP questions most pertinent to franchised auto dealers.

For the PPP, it appears more Congressional help is on the way. In the meantime, consult counsel.

Understandably, many small and midsized businesses across the country are pursuing PPP loans. As [The Hill](#) published in an article this morning, the Trump Administration indicated Wednesday that "banks have already processed \$70 billion in federally backed loans for more than 200,000 small businesses. This has sparked concern the funds may run dry before Congress reconvenes the week of April 20"

Thankfully, it appears financial support for the PPP is on the way. Yesterday, NADA cited [Politico](#) writing, "Congress is poised to move with lightning speed to send \$250 billion more to small businesses by the end of the week." Of course, we will closely monitor the news, including insight from NADA, and provide you updates on further Congressional action. In the meantime, we encourage all dealers considering a PPP loan to consult the organization's counsel.

Webinars

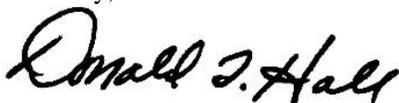
NADA conducts its Dealership Webinar Lifetime Series almost daily from 1-2 p.m. Previously recorded and upcoming webinars are linked below. You can also access recorded webinars on the paywall-protected area of [NADA's website](#).

- April 1: [Making Sense Out of the New SBA Paycheck Protection Program: Practical Considerations for Dealers](#)
- April 2: [The Federal Tax implications of COVID-19: How the New Environment Affects Dealers](#)
- April 7: [So, an Employee Has Covid-19 Symptoms or Has Tested Positive...Now What?](#)
- April 8: Build a 60 Day Profit Protection Plan (recording not yet available)
- April 9: [Managing Service Operations: Making it through the COVID-19 Pandemic](#)
- April 10: [The Best Ideas from NADA 20 Groups: In Times of COVID-19 Pandemic](#)

Earlier today, SESCO conducted a valuable presentation on the Families First Coronavirus Response Act (FFCRA) and the CARES Act. If you missed it, don't worry. SESCO indicated it will soon provide a link to the recorded webinar.

Thank you for all you do. More than ever, it is a pleasure to serve the new car and truck dealers of Virginia.

Sincerely,



Donald L. Hall
President and CEO