



June 10, 2020

Greetings from VADA,

In today's update, read how Northern Virginia and Richmond are set to enter Phase Two of Governor Ralph Northam's "Forward Virginia" reopening plan this Friday (June 12). Relatedly, check out a new VADA webpage designed to help you easily reference and understand what's required for the Commonwealth's franchised auto dealers under Phases One and Two. As the state experiences less restrictions on businesses and individuals, view guidance from the U.S. Department of Labor Occupational Health and Safety Administration (OSHA) to help employees and employers maintain a healthy work environment. Also, learn of a joint statement from the U.S. Small Business Administration (SBA) and U.S. Treasury about the new Paycheck Protection Program Flexibility Act (PPPFA). Lastly, see a reminder about what options are available for salesperson qualification testing.

Northern Virginia and Richmond to enter Phase Two this Friday (June 12). A new VADA webpage should help everyone understand what's required.

Yesterday (June 9), Governor Northam announced the Northern Virginia Region (as defined in [Executive Order 62](#)) and City of Richmond will join the rest of the state in Phase Two of the "Forward Virginia" reopening plan this Friday (June 12).

Beyond an increase to the limit on social gatherings (from no more than 10 individuals to no more than 50, excluding those performing a function of their employment), it appears there are no differences between what is required for Virginia's franchised auto dealers under Phase Two compared to Phase One.

While the rules for your business should be familiar, your adherence to the Governor's executive orders—including [Executive Order 65](#) and corresponding [Guidelines](#), which lay out Phase Two—remains essential.

To help VADA members easily find and understand what's mandated by the state, we designed a [Reopening Phases webpage](#). For both phases, the page gives key requirements, a breakdown of the differing rules for sales/finance and service departments, analysis on social gatherings and Order enforcement, and status updates for Northern Virginia and Richmond. The pertinent executive orders and guidelines are linked therein. We'll update the page whenever new information is available.

We know you're doing all you can to comply with federal and state directives and otherwise operate a safe business for employees and customers. Hopefully the new *Reopening Phases* webpage helps in that regard. If ever you need more or different information, please let us know.

As Virginia experiences a phased reopening, consider guidance from OSHA to help your business maintain a safe and healthy work environment.

In its quest to help employees and employers maintain safe and healthy working environments during the pandemic, OSHA has released guidance that may be useful as Virginia businesses experience fewer restrictions. Below, you'll find both general guidance for all workers and employers plus some industry-specific documents.

General Guidance

- [OSHA COVID-19 Website](#)
- [Guidance on Preparing Workplaces for COVID-19](#)
- [Prevent Worker Exposure to Coronavirus \(COVID-19\) \(Spanish\)](#)

Industry-Specific Guidance

- [Social Distancing at Work \(Spanish\)](#)
- [Retail Workers \(Spanish\)](#)

As a reminder, defensibility of COVID-19 workers compensation claims is largely contingent upon dealerships taking the appropriate precautions as defined by the Centers for Disease Control and Prevention (CDC) and OSHA. For more on OSHA requirements or the latest from the Virginia Occupational Safety and Health (VOSH) Program, contact VADA Group Self-Insurance Association Executive Manager [Michael Allen](#).

SBA and Treasury issue joint statement on the PPPFA. More regulations are on the way.

Last Friday (June 5), President Donald Trump signed the PPPFA, bringing several critical changes to the Paycheck Protection Program (PPP).

Among other critical stipulations, the new law extends the loan forgiveness period from eight weeks to 24 weeks and reduces from 75% to 60% the percentage of forgivable expenses that must be allocated to payroll costs.

On Monday (June 8), Treasury Secretary Steven Mnuchin and SBA Administrator Jovita Carranza issued a [joint statement](#) on the law's enactment. The agency heads expressed gratitude to the President and members of Congress for legislation they claim "will provide businesses with more time and flexibility to keep their employees on the payroll and ensure their continued operations as we safely reopen our country."

As expected, SBA and Treasury also announced they "will promptly issue rules and guidance, a modified borrower application form, and a modified loan forgiveness application implementing these legislative amendments to the PPP." Read the [full release](#) plus these resources:

- NADA Preliminary Guidance on PPP Loans: [Use of Proceeds and Forgiveness](#) (updated June 9)
- NADA Webinar on "[The Paycheck Protection Program Flexibility Act of 2020: Impact on the Use and Forgiveness of Loan Proceeds](#)" (recorded June 9) and corresponding [slide deck](#).
- NADA [CARES Act FAQs](#) (updated June 5)

With additional SBA/Treasury guidance on the way, **we recommend VADA members with PPP loans put off applying for loan forgiveness until after consulting with their legal, accounting, and banking experts regarding how these new modifications to the PPP will apply to their specific circumstances.**

On the topic of federal relief for businesses, the IRS has released a [publication](#) outlining new employer tax credits, including employee retention credit and leave credits. In addition to the publication, click [here](#) for more details.

Need someone to take the salesperson qualification test? You have two options.

Last month, we notified VADA member organizations there are two options for salesperson qualification testing in the Commonwealth. Those options remain, and individuals can either:

- (1) Book an appointment at select DMV Customer Service Centers (CSCs) ([click here to schedule an appointment](#)), or
- (2) Reach out to the Motor Vehicle Dealer Board for remote testing at a dealership. For appointments, dealerships should call Ann Majors at (804) 367-1100, ext. 3016#.

Click [here](#) for more on DMV's reopening plan and what locations are available by appointment.

If someone at your store is having difficulty scheduling an appointment for testing, please let us know. We're here to help.

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, flowing style.

Donald L. Hall
President and CEO