



July 15, 2020

Greetings from VADA,

In today's message, get the latest from Gov. Ralph Northam, who yesterday (July 14) said Virginia will increase enforcement of health restrictions after recent increases of percent positive COVID-19 cases in the Commonwealth, particularly in Hampton Roads. Check out a *Richmond Times-Dispatch* story on auto dealership operations during the pandemic. Read an *Automotive News* article, highlighting Sheehy Auto Stores' recent community service. See how VADA is working with DMV and the Motor Vehicle Dealer Board toward a more streamlined process for salesperson licensing. Lastly, be sure to catch NADA's webinar on applying for Paycheck Protection Program (PPP) loan forgiveness.

### **Commonwealth to increase enforcement of health restrictions on businesses and individuals.**

During a news conference yesterday (July 14), Gov. Northam said the Commonwealth will increase its enforcement of health restrictions on businesses and individuals. See [this report](#) from the *Richmond Times-Dispatch*.

While Virginia has not experienced the sort of uptick in COVID-19 cases seen in states like Florida or Texas, the Governor noted, there have been recent increases in percent positive cases in the Commonwealth — marginally in most of the state and significantly in Hampton Roads.

Attributing the spike to non-compliance, Gov. Northam indicated step one of counteracting the surge is to increase enforcement of restrictions in place. Here are the administration's action items relevant to VADA members:

- (1) The Governor's administration is reminding health district directors of their authority to enforce face mask requirements in restaurants and places where people gather.
- (2) The administration is also gathering state licensing agencies to conduct unannounced visits to establishments across the state, as needed, with particular emphasis on Hampton Roads. Gov. Northam stated, **"If you own a restaurant or a business and you are not following the regulations, your license will be on the line, and we will not be afraid to take action if needed."**

He added businesses should step up their own enforcement of health restrictions, suggesting a slight adaptation of a familiar phrase for customer service: "No shirt, no shoes, *no mask*, no service." We note, VADA members should consult their legal counsel when determining how to address situations in which a customer refuses to comply with state requirements, such as the face covering mandate.

The central message is consistent with what VADA has expressed to members since the pandemic's inception: **It is paramount you strictly adhere to state requirements on your business.**

Continue the incredible steps you've taken to comply with government directives and to create a safe and healthy work environment for your employees and customers. Visit our [Reopening Phases webpage](#) for reminders of what's required. Record the steps you are taking. And let us know if you have any questions. We thank you for your efforts!

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### **VADA members featured in *Richmond Times-Dispatch* "Metro Business" cover story.**

John Reid Blackwell, business reporter at the *Richmond Times-Dispatch*, spent the last few weeks working with VADA and several members to report on how dealers are navigating the challenges created by COVID-19. The takeaway: It's a

bumpy ride, but Virginia's franchised new car and truck dealers — as always — are innovating and leading the way. Read [the full story](#).

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***Automotive News* features Sheehy Auto Stores' charitable giving during the pandemic.**

For months, VADA members have balanced operating their businesses amidst a pandemic with serving their communities. Sheehy Auto Stores is another franchised dealer group that has gone above and beyond, as evidenced in [this article](#) from *Automotive News*.

Richard Truett highlights the work of Sheehy Toyota of Fredericksburg, emphasizing how the dealership aided a local school district transitioning from in-person to virtual learning given COVID-19. “Even though Sheehy Toyota's new- and used-vehicle sales collapsed in April and were slower than usual in May and June,” Truett writes, “the Fredericksburg store spent about \$30,000 to help pay for food for students in need and for the [internet] hotspots and iPads, and to cover the costs of summer camp for children.”

The article mentions the organization's other charitable involvement this year. We so enjoy reading and sharing these stories, and we applaud the Sheehy group for their generosity!

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**A more streamlined salesperson licensing process might be on the way.**

While the pandemic has presented unique challenges for VADA members — which dealers have met and used to better their businesses — it has also amplified the need for certain changes in our industry. One need is a more streamlined process for salesperson licensing in Virginia.

Before COVID-19 impacted the Commonwealth, prospective salespersons would undergo a background check then sit for a DMV-administered salesperson qualification test. DMV closures during the pandemic stalled the ability for dealer groups to add new members to their sales teams. At the same time, closures made it hard for would-be salespersons to earn a living in the industry at a critical time.

While DMV and the Motor Vehicle Dealer Board have worked with us to create options for testing in-person and by appointment — for which we are grateful — we simply need a faster, more efficient process for salesperson licensing whether we are amidst a pandemic or not.

VADA staff is collaborating with DMV and the Dealer Board to consider options moving forward, but we don't profess to know everything. If you have an idea about how to improve salesperson licensing, please let us know by [emailing Tommy Lukish](#), VADA's Legislative and Legal Affairs Manager. We are open to any ideas you or your senior staff might have.

We appreciate the above agencies' attention to this matter, and we will keep you apprised of any related developments.

Lastly, we want to remind dealers that, effective August 1, 2020, dealers are responsible for completing the required background checks for initial salesperson licenses through a Dealer Board-approved vendor.

For some time, dealers have had the option of conducting background checks, and many have elected to do so. The new requirement should speed up the salesperson licensing process for everyone. Also, it should benefit dealers, who will know whether an applicant has a criminal history that may delay licensing. Contact our Director of Legislative and Legal Affairs, [Anne Gambardella](#), with any questions, or click [here](#) (page 1) for more information.

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**Watch NADA's webinar on pursuing PPP loan forgiveness.**

Today (July 15), NADA presented a webinar on [Paycheck Protection Program \(PPP\) Loans: Applying for Forgiveness](#).

NADA Chief Regulatory Counsel Doug Greenhaus moderated the event, which started with a review of key statutory, regulatory, and other guidance on PPP loan forgiveness before certified public accountants gave their insight on applying for and maximizing loan forgiveness.

When watching the recording, it might be helpful to have the following SBA documents handy:

- [PPP Standard Loan Forgiveness Application](#) (with [instructions](#))
- [PPP EZ Loan Forgiveness Application](#) (with [instructions](#))

As a reminder, NADA makes all its webinars available to members [here](#).

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

Sincerely,



Donald L. Hall  
President and CEO