

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA WANADA Bulletin # 6-20 March 25, 2020

Supporting Our Members During the COVID-19 Pandemic Maryland Approves Dealer Processing Charge Increase to \$500 Emphasizing Safety as Dealerships Remain Open Support for Businesses and Workers Impacted by COVID-19 State DMVs Closed Region-Wide; Many Services Available Online USCIS Issues New I-9 Form; Must Begin Using by May 1 Cox Automotive Offering COVID-19 Assistance to Dealers

Supporting Our Members During the COVID-19 Pandemic

Beyond the very scary and real health threat facing all of us, the COVID-19 pandemic has created an unprecedented series of challenges for business owners and workers across the country and the world. In this difficult time for all of us, WANADA has created a robust COVID-19 information page, which features a full range of important resources for dealers and suppliers alike.

On the information page, you will find dozens of useful links, including information on state and local ordinances around social distancing and workplace safety requirements, a <u>full archive of</u> the communications WANADA has sent to member dealers during this crisis, information on state and federal loans and grants available to impacted businesses, and much, much more.

WANADA will continue updating this page frequently, likely multiple times per day, throughout this crisis with the latest details and guidance on how dealers and suppliers can make the best choices to support their business and their workers during this difficult time.

WANADA staff will continue to work remotely during this crisis; please refer to the staff directory to find email contact information for every employee. Anyone with questions related to insurance or benefits should visit the WANADA employee benefits and insurance trust info page, while inquiries about association or dealership operations should be directed to Joe Koch at jk@wanada.org.

WANADA and its member dealers have been a staple of the Washington area for over a century – through the Great Depression, World War II, the Cold War, the Great Recession, and other immensely difficult times for this country. We will all get through this together, if we make the right choices and prioritize the safety and security of our customers and our employees. Our office is working around the clock to support our members through this uncertainty, and we will continue providing high-quality, responsive services long after this crisis abates.

Maryland Approves Dealer Processing Charge Increase to \$500

Maryland dealers secured a big legislative victory during the shortened General Assembly session in Annapolis, as legislators <u>passed an amendment</u> into the <u>state budget</u> that will raise the dealer processing charge from \$300 to \$500. This change takes effect for Maryland dealers on July 1, 2020.

Please note that, should a dealer raise their processing charge to \$500, they should be able to justify the additional expense to state auditors upon request. You can direct any questions about this to Joe Koch at jk@wanada.org or (202) 821-5824.

WANADA would like to thank the efforts of John and Jamie Darvish for helping spearhead this effort, along with the great work of the Maryland Automobile Dealers Association, our dealers in the state, and our bi-partisan group of supporters and advocates in the General Assembly. They all worked tirelessly to get this processing charge amendment enacted, particularly given the fact that the General Assembly calendar was shortened by roughly a month due to COVID-19.

Emphasizing Safety as Dealerships Remain Open

In the past few days, both <u>Gov. Ralph Northam of Virginia</u> and <u>Gov. Larry Hogan of</u> <u>Maryland</u> issued executive orders that greatly restrict the ability of businesses to open to the public. Fortunately, and correctly, both states have followed federal guidelines and explicitly deemed auto-repair facilities to be "essential" services, allowing them to remain operative indefinitely.

As of this time, the states have *also* allowed dealership showrooms to continue serving customers, and fulfilling their role as a vital cog in the nation's transportation infrastructure. Maryland, which fully closed all "non-essential" businesses on Monday evening, <u>explicitly</u> <u>exempted auto dealerships</u> from that restriction, while <u>Virginia's executive order</u> states that "non-essential" businesses must have no more than 10 patrons in their store at a given time, and that everyone must be able to keep a six-foot distance between themselves and others.

It is a privilege to be able to continue any facet of dealership operations during such an uncertain time, and particularly given the operations challenges that dealers and suppliers are facing in other states around the country with more restrictive measures. With that in mind, WANADA has worked vigilantly to emphasize to our dealers and suppliers how important it is that they create the safest possible environment for customers and employees throughout this crisis, and that they rigidly adhere to all federal, state, and local guidelines around social distancing, and workplace safety.

Support for Businesses and Workers Impacted by COVID-19

In addition to the Small Business Administration's federal disaster assistance program, and the reported \$367 billion small business loan fund agreed to in the "phase three" disaster relief deal, the state governments in the region are offering various levels of assistance for businesses and employees who have been significantly impacted by the COVID-19 pandemic and the broad closures and economic downturn that have occurred as a result.

The Maryland Department of Labor has created a Layoff Aversion Fund, which will offer grants of up to \$50,000 for businesses to defray the costs of setting up remote workspaces, workplace sanitization costs, professional development for affected employees, and for those companies that participate in the state's long-standing Unemployment Insurance Work Sharing Program.

The Maryland Department of Commerce has also implemented a \$130 million grant and loan program for small businesses and manufacturers in the state. Tens of millions of dollars in low-or no-interest loans are available, as are direct cash grants of up to \$10,000, designed to help small businesses stay afloat for a short period of time after a drastic downturn in business.

Both <u>Virginia</u> and <u>Maryland</u> have waived the usual one-week waiting period to apply for unemployment benefits, and both states <u>have waived</u> their prior job-search requirements as well. The Virginia Employment Commission is also <u>seeking input from business leaders</u> on the impact COVID-19 has had on their operations, as the commonwealth decides on how to provide additional support for affected companies.

State DMVs Closed Region-Wide; Many Services Available Online

At this time, In-person DMV services in D.C., Maryland, and Virginia are all cancelled for the foreseeable future. Fortunately, the area's local motor vehicle regulatory bodies are either processing services online, or they are granting waivers for delays during this state of emergency. WANADA will be compiling relevant DMV status updates on our website through the length of these service changes.

In the District, all DMVs are closed through at least April 27, but the city will continue to offer its usual slate of online services through that time, while also granting extensions to all titles, inspections, and driver's licenses that are set to expire between now and whenever the DC DMV ultimately re-opens its in-person services.

Maryland has also closed all of its MVA branches statewide, along with all of its VEIP emission inspection locations. The MVA has created a <u>COVID-19</u> information page for dealers and drivers alike. The state has already been in the process of building out its Customer Connect service, designed to make it easier for dealers to handle many licensing and tag-and-title services online. Their <u>Customer Connect training sessions</u> specifically focused on dealer tag-and-title services will now be online, on March 31 and April 2, and WANADA encourages dealers or their staff to register for one of the sessions at this link.

Virginia DMV locations are closed until at least April 2, and all driver and vehicle credentials have been extended by 60 days until further notice. The Virginia DMV had already been requiring dealers to submit much of their title and registration processing work to Manheim locations in Fredericksburg or Harrisonburg due to an anticipated crush of residents making inperson visits to get REALID-compliant licenses, and that processing requirement continues.

Please feel free to contact Joe Koch at jk@wanada.org if you have any questions about accessing any state DMV services during this period of closures and service modifications.

USCIS Issues New I-9 Form; Must Begin Using by May 1

The United States Citizenship and Immigration Services <u>has issued a new I-9 form</u>. While dealers have been encouraged by USCIS to have started using this form beginning on January 31, they are required to begin using it no later than May 1.

Cox Automotive Offering COVID-19 Assistance to Dealers

Kindred-Line member <u>Cox Automotive</u> is offering a <u>50 percent discount</u> on their Retail Solutions Dealer Subscription Product fees, including their promotional services through Autotrader, Dealertrack, VinSolutions, and more.

If you have any questions about this, please contact your usual representative at Cox Automotive, or reach out to Joe Koch at jk@wanada.org for more information.