

# THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

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## D.C., Maryland, Virginia Stay-at-Home Orders in Effect

The leaders of [D.C.](#), [Maryland](#), and [Virginia](#) all issued stay-at-home orders on Monday, further emphasizing to residents the importance of remaining homebound except to partake in “essential activities,” including purchasing groceries and prescriptions, exercising outside with proper spacing, and traveling to and from workplaces deemed “essential.”

WANADA encourages all our member dealers and suppliers who are allowed to remain open under the current laws of the region to still take tremendous care to do everything they can to make their workplaces as safe as possible for customers and employees. We have communicated to our members the importance of following all pertinent local, state, and federal guidelines in their jurisdiction of operation, and to meticulously document all efforts to comply with them in the workplace.

For employees who are continuing to perform essential work at essential businesses, WANADA has provided links to boilerplate letters that workers should keep in their cars, should they be stopped by law enforcement on their way to their workplace. Please view the Virginia letter [at this link](#), and the [Maryland letter here](#).

## Hyundai Hope on Wheels Donates \$200,000 for COVID-19 Testing

As part of a [\\$2.2 million national campaign](#), Hyundai Hope on Wheels donated \$200,000 to Children’s National to support their efforts in setting up drive-thru COVID-19 testing that will ultimately play a major role in helping reduce the proliferation of the virus.

Hope on Wheels, of which WANADA chairman Kevin Reilly is a board member, gives \$15 million annually to hospitals and research organizations that are fighting for a cure to pediatric cancers. Given that COVID-19 is an acute danger to immuno-



Alexandria Hyundai owner and WANADA chairman Kevin Reilly stands with members of Children’s National’s COVID-19 mobile testing team in Washington.

compromised patients, these sizable grants both fit the organization's overall mission, and serve to help mobilize the kind of broad testing that will help save lives and ultimately end this pandemic.

And fitting that theme, [NBC 4 reported](#) that when the site opened on March 22, it was the first facility of its kind to offer testing specifically for pediatric patients who are showing symptoms but aren't yet in serious enough condition to warrant being admitted to the hospital. Ultimately, the \$2.2 million campaign will support [testing initiatives at 11 facilities](#) across the country that primarily service pediatric patients.

Please [check out this video](#) featuring Kevin Reilly's visit to the Children's National testing facility, which is located in the parking lot of Trinity University in Northeast Washington, off of Michigan Avenue NE.

With hospital resources and testing equipment strained across the country, this sizable grant will allow these 11 medical centers to test a significant number of patients without potentially compromising other pre-existing vital services.

## Federal REAL ID Requirements Delayed 12 Months

Because of the COVID-19 pandemic, the U.S. Department of Homeland Security [has delayed the deadline](#) for REAL ID-compliant drivers licenses back one full year to October 1, 2021. As of that date, anyone attempting to board an airplane in the United States or access a federal government building will need to present an identification card that meets the REAL ID standards outlined in the [REAL ID Act of 2005](#).

The [CARES Act](#), passed by Congress and signed by President Trump last week, also codifies the extension to 2021 into law.

Virginia dealers should keep this extension in mind going forward, given that the Virginia DMV had already suspended in-person dealer processing services for 2020, in anticipation of a crush of appointments at service centers for residents needing a compliant license. Virginia was one of the last states to finalize compliant IDs, and [the state estimates](#) that 1.3 million residents still need to upgrade before October 1, 2021.

The Virginia DMV has not issued any additional guidance on how the extension will impact their dealer services once the COVID-19 pandemic ends, and WANADA does not expect them to until the crisis abates. Virginia DMV requires dealers to submit much of their title and registration processing work to Manheim locations in [Fredericksburg](#) or [Harrisonburg](#), and that processing requirement continues until further notice.

[Virginia DMV service centers](#) remain closed statewide through at least April 23. The state motor vehicle licensing agencies in the region [have all issued extensions](#) for various documents that would have expired during this period of broad closures.

## Reminder of Resources for Impacted Businesses and Workers

The CARES Act was signed into law by President Trump last week, opening up hundreds of billions of dollars in forgivable grant funds to small businesses. Eligible businesses with 500 or fewer employees will be eligible for up to \$10 million in forgivable loans through the [Small Business Administration's 7\(a\) Paycheck Protection Program](#). [Please click here to view the SBA's COVID-19 information page.](#)

We recommend that you contact your SBA 7(a) lender, if you have one, as soon as possible if you plan to participate in this program. In general, the maximum loan amount is expected to be 250 percent of an employer's average monthly payroll total, up to that \$10 million amount.

Given that the Paycheck Protection Program funds are available to businesses with fewer than 500 employees, NADA has published an [informational guide](#) on how certain small business qualify, with a specific focus on auto dealers. [At this link](#), you will find an Excel spreadsheet with a list of OEMs and their SBA status; franchisees associated with the manufacturers who already have codes should be able to much more easily qualify for SBA loans provided under the CARES Act.

Nearly every OEM with a large presence in the region has either already qualified for this provision on behalf of their franchisees, or has submitted an application to do so; you can find a [full list of relevant OEM codes here](#). WANADA thanks NADA for their diligence in trying to expand eligibility for these SBA provisions to as many of our dealers as possible.

In addition, the U.S. Senate Subcommittee on Small Business and Entrepreneurship has also published two guides: one about the [CARES Act overall](#), and one specifically about the [Paycheck Protection Program](#). The Senate Finance Committee has also produced [a helpful guide](#) covering the Employee Retention Credit provision in the law. Also, NADA and the U.S. Chamber of Commerce have published a [checklist for businesses](#) preparing to apply for PPP funds.

[As WANADA reported last week](#), state governments in the region are also 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 [Virginia](#) and [Maryland](#) have waived the usual one-week waiting period to apply for unemployment benefits, and both states [have waived](#) their [prior job-search requirements](#) as well.

The CARES Act also expands eligibility for unemployment benefits, which, for at least the next 13 weeks, will be [supplemented by an additional \\$600 per week](#) for qualified applicants across the country.

## Feds, States, D.C. Authorize Tax Filing, Payment Extensions

COVID-19 has upended almost every facet of daily life that had been predictable, and that includes the usual mid-April deadline to file federal tax returns. [The Internal Revenue Service](#) announced in late March that they would push the usual Tax Day back three months to July 15. This covers both the deadlines to file individual taxes and to pay outstanding balances to the federal government.

WANADA encourages those who are able to file and make payments on the regular schedule to continue doing so.

For those who are eligible to receive the [Economic Impact Payments](#) authorized by the [CARES Act](#), the IRS will use 2019 tax filings for those who submitted their federal income tax returns before March 30; those who have not filed yet will receive a benefit based on their 2018 return. For those who have not filed taxes for either year, the IRS will continue accepting returns from both of those years in order to calculate and disburse their direct benefit, which can be as much as \$1,200 for filers who earned \$75,000 or less in the most recent year for which records are available.

Last week, [D.C. Mayor Muriel Bowser announced](#) that the District would also extend their deadline to file individual, partnership, and franchise tax returns to July 15. This extension also covers any outstanding payments from 2019 that would normally have been due April 15.

Maryland Comptroller Peter Franchot has [published a helpful chart](#) of the various due dates for 2019 [tax filings and payments in the state](#). Business tax returns, and payments that had not been collected in the months of March, April, and May are due on June 1, while individual tax returns and payments are due to the state on July 15.

In Virginia, state income tax filings are due on May 1, but according to the [state department of taxation](#), any outstanding payments due can be paid as late as June 1 without any penalties. This covers all due taxes that would otherwise have been due to the commonwealth between April 1 and June 1, according to a [memo issued by the department](#) in late March. Virginia will also allow tax filers to apply for a 6-month extension, though they must do so before May 1 to avoid exposure to penalties.

Please note that while late payment penalties will not be applied to any tax bills that fit this criteria, interest will continue to accrue during this period, so if you are able to pay any outstanding tax liabilities, please do so as soon as possible.

## Md. MVA to Allow Some Late Excise Payments, Offer Critical In-Person Services

The [Maryland Motor Vehicle Administration](#) has issued two Bulletins with important information for dealers during the COVID-19 pandemic. [A Bulletin issued Monday](#) notes that while, by law, the MVA cannot issue a title certificate on a vehicle until the paperwork is submitted and the excise tax is paid, the state will be lenient in assessing late titling penalties under certain circumstances during the pandemic. Usually, the paperwork must be filed and the tax paid within 30 days of the vehicle being delivered to the customer.

Last Friday, [the state told dealers](#) that the Business Licensing and Driver Instructional Services department will offer limited in-person support on Mondays and Wednesdays at the Glen Burnie MVA. Dealers and tag and title agencies will be able to drop off work between 9 a.m. and 2 p.m. on those days of the week. Please [view the MVA Bulletin](#) for a full list of services that will be provided in person.