



BULLETIN #44/2020 APRIL 15, 2020

_CORONAVIRUS UPDATE #30

**NADA'S DEALERSHIP LIFELINE WEBINAR SERIES CONTINUES THROUGH
FRIDAY - REGISTER TODAY**

ARB WEBINAR "WEATHERING THE STORM" - FRIDAY, APRIL 17, 11:30AM

**COX AUTOMOTIVE WEBINAR COVERING INDUSTRY ISSUES ON
TUESDAY, APRIL 21, 2:00PM**

SBA ISSUES ADDITIONAL PPP LOAN RESOURCES

GOV. BAKER: "WE ARE IN THE SURGE"

[This bulletin supplements our previous bulletins #11 and #16 through #43 on this subject matter. These bulletins are intended to be cumulative so we can avoid repeating the same information.]

NADA's Dealership Lifeline Webinar Series Continues Thursday, Friday

NADA, with its Dealership Lifeline Series, has produced a number of excellent webinars designed to protect dealers during the Coronavirus crisis. The series continues with events on Thursday and Friday this week:

- **Thursday, April 16, 1pm-2pm ET:** [NADA All-Dealer Town Hall Meeting](#);
- **Friday, April 17, 1pm-2pm ET:** [The Best Ideas from ATD 20 Groups: In Times of COVID-19 Pandemic](#).

All webinars in the Dealership Lifeline Series are available on the NADA Coronavirus Hub [here](#).

Albin, Randall & Bennett Webinar: "Weathering the Storm", Friday, April 17, 11:30 a.m. ET

On Friday, April 17, MSADA associate member Albin, Randall & Bennett will conduct an interactive webinar, "Weathering the Storm: CARES Act Relief and Cash Management Strategies for Small Businesses", which will cover the critical steps you need to take to safeguard your cash and protect your assets during the COVID-19 pandemic.

The presenters – David Jean of Albin, Randall & Bennett and business restructuring attorneys Andrew Helman and Katie Krakowka from the law firm of Murray, Plumb & Murray – will focus on common pitfalls of financial contingency planning and offer strategies for selecting the right financing options. Topics will include cash management; preparing for talks with lenders; government assistance programs, and preparing financials. The presenters will take questions during a Q&A session.



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The event will commence at 11:30 a.m. ET. Click [here](#) to register.

Complimentary Webinar for MSADA Members Courtesy of Cox Automotive and vAuto – Tuesday, April 21, 2:00 p.m. ET

MSADA associate member Cox Automotive will be conducting a complimentary webinar for our members with vAuto founder and Executive Vice President of Cox Automotive, Dale Pollak on Tuesday, April 21, 2020, at 2:00 p.m. ET. It will kick off a 5-part series of live conversations focusing on the state of the auto industry.

Mr. Pollak, during the live discussion and Q&A session will focus on the challenges and concerns franchised and independent dealers are facing as the crisis disrupts their businesses, including how to handle current used and new vehicle inventory; how digital tools and virtual processes can enable business continuity; and how to prepare for the eventual upturn and implications on inventory.

You can register and learn more about this event [here](#).

SBA Issues Additional Paycheck Protection Program (PPP) Loan Guidance and Resources

[The following information is provided courtesy of our MSADA associate member Albin, Randall and Bennett. It supplements information we provided you yesterday in Bulletin #43.]

On April 14, 2020, the U. S. Small Business Administration issued the following additional guidance for the Paycheck Protection Program (PPP) loan and provided an update to the PPP Frequently Asked Questions:

- [Paycheck Protection Program – Additional Eligibility Criteria and Requirements for Certain Pledges of Loans](#)
- [Frequently Asked Questions](#)

The additional eligibility criteria and requirements for certain pledges of loans covers three areas:

1. Individuals with self-employment income who file a Form 1040, Schedule C
2. Clarification regarding eligible businesses
3. Requirements for certain pledges of PPP Loans

This guidance provided the following clarification regarding self-employed individuals and partners in a partnership:

- A partner in a partnership may not submit a separate PPP loan application as a self-employed individual
- The self-employment income of general active partners may be reported as a payroll cost, up to \$100,000 annualized, on a PPP loan application filed by or on behalf of the partnership (i.e. inclusion of guaranteed payments)
- Defined the maximum loan calculation for self-employed individuals with and



- without employees
- Limits Schedule C income to \$100,000
- Requires a 2019 Schedule C to be provided – Filed or pro forma (if 2019 tax return has not been filed)
- Defined the loan forgiveness calculation for self-employed individuals with and without employees
- Mortgage interest payments include both real and personal property for loan forgiveness purposes
- Rents include buildings, equipment, vehicles, etc. for loan forgiveness purposes

These provisions provide possible insight into the pending loan forgiveness guidance for all other businesses.

In addition, the frequently asked questions updated through April 14, 2020, provided additional clarification for both lenders and borrowers. Some items of note included:

1. **Question 7** – \$100,000 limit doesn't apply to benefits when determining payroll costs for the calculation of loan amount
2. **Question 14** – Time period – You can use calendar year 2019 or trailing twelve months from the application date
3. **Question 14** – Number of employees – you can use average employees in your calculation
4. **Question 16** – Gross payroll should be utilized and not net payroll
5. **Question 17** – No need to refile an application for these changes noted above
6. **Question 20** – The eight-week period begins on the date the lender makes the first disbursement of the PPP loan to the borrower

Baker: "We are in the Surge"

[The following article is provided courtesy of the State House News Service, written by reporter Colin Young. If you do not have the chance to listen to Governor Charlie Baker's daily briefings, this gives you an excellent sense of what occurred today and the important information Governor Baker and his team presented at this critical juncture in the fight against the Coronavirus pandemic in Massachusetts.]

BOSTON, APRIL 15, 2020.....Two and a half months after the first confirmed case here, and as the total number of COVID-19 cases passes 28,000 and the number of deaths from the virus approaches 1,000, Gov. Charlie Baker said Wednesday that the surge of COVID-19 patients that Massachusetts has been preparing for has arrived.

"I would say at this point in time, based on the conversations we're having every day with our colleagues in the hospital community, that we are in the surge, yes," the governor said in response to a question at his daily Coronavirus press conference Wednesday.

The state has been working with the health care sector since at least February to be as prepared as possible for the influx that is expected to put hospitals, health care workers and emergency medical providers under tremendous stress. Hospitals have added to their bed capacity, beds that typically would be occupied by people who had elective procedures have been kept open, and the state has established field hospitals in a convention center and arena in case traditional hospitals become overwhelmed.



"I would say at this point in time I believe, with the addition of some of the other stuff that's coming online over the course of the next five to seven days, we are pretty well positioned to deal with this," Baker said.

As of Tuesday afternoon, the state had 28,163 confirmed cases of COVID-19 and 957 people had lost their lives to the new and highly-contagious virus. More than 9,000 more Massachusetts residents are under active quarantine or monitoring because of a possible exposure to the virus. Baker has said that the state's modeling estimates that the total number of COVID-19 cases in Massachusetts "will range somewhere between 47,000 and 172,000 cases during the course of the pandemic."

As of Monday - the most recent hospital capacity report from state officials - Massachusetts had 17,600 beds capable of treating COVID-19 and the governor said roughly half of those beds remained open. He said Wednesday that just under 6,000 of the beds are acute care beds, just more than 2,500 are intensive care unit beds and another roughly 750 beds are available at the field hospitals that have been set up at the DCU Center in Worcester and the Boston Convention and Exhibition Center.

The number of field hospital beds will continue to grow over the next week or so, Baker said, alluding to field hospitals expected to open at Joint Base Cape Cod, and in Lowell and Dartmouth.

"Right now the number of patients that the two sites that are open is relatively low, just a handful. But these sites are being built to augment existing hospital capacity and we hope this surge in cases is not significant enough that we'll need to rely heavily on those beds," he said. "But we think it's important that they be there and that we have them because all along the goal has been to plan for the worst, and that's exactly what we've been doing."

The state's COVID-19 Command Center, led by Health and Human Services Secretary Marylou Sudders, has also been working to ensure doctors, nurses and other health care workers are prepared with critical protective gear. Baker said Wednesday that the state has distributed more than 3.7 million pieces of personal protective gear to hospitals, nursing homes, public safety offices and others.

"This includes over 2 million gloves, over 820,000 masks -- over 370,000 masks from the AirKraft delivery -- and over 170,000 gowns," he said, adding that another portion of the "AirKraft" delivery -- a shipment of PPE from China secured and delivered with the help of New England Patriots owner Robert Kraft -- arrived in Massachusetts.

The governor said the federal government informed his administration Wednesday morning that it is providing the state with 1 million more pieces of PPE, including 650,000 masks and 260,000 Tyvek suits. But Baker said the command center continues to work around the clock to obtain more and more of the critical gear.

"I will never be satisfied that Massachusetts has what it needs with respect to gear generally because one of the biggest lessons I hope that we and others have learned through this whole experience is you have enough gear until you don't," he said. "And



then once you don't, finding it and acquiring it becomes enormously difficult. ... We're gonna keep chasing all elements of that stuff because I'm honestly never going to be comfortable that we have enough."

Long-term care facilities like nursing homes and assisted living centers have emerged as an important front in the battle against the virus, which can be particularly lethal to the elderly and people with underlying medical conditions. Baker and Sudders on Wednesday outlined many of the steps the administration is taking to support those facilities -- including \$130 million in new funding, expanded testing, and PPE allocation.

"In early April, we announced an across the board 10 percent MassHealth rate increase, which is worth about \$50 million, for all nursing facilities effective April 1 as part of that first out-of-the box, early stabilization package. Additionally, facilities that create dedicated COVID-19 wings or units, and who follow necessary safety protocols, will be eligible for an additional 15 percent rate increase ... that's worth approximately \$50 million," Sudders said, adding that the administration assumes two-thirds of the 398 long-term care facilities in the state will set up dedicated units.

The remaining \$30 million, Sudders said, will be used to continue to establish skilled nursing facilities dedicated to COVID-19, like the state has done at Beaumont Rehab and Skilled Nursing Center in Worcester. Baker said COVID-19 dedicated facilities in Brewster, Falmouth, New Bedford, East Longmeadow and Great Barrington will open within 10 days and that there are "several others in the planning stages."

There are 383 nursing homes, 255 assisted living residences and 93 rest homes in Massachusetts, the governor said. Approximately 38,000 people live in nursing homes, 16,500 in assisted living facilities and 3,000 residents in rest homes. As of Tuesday, 214 long-term care facilities had reported at least one case of COVID-19 and 3,907 residents or staff members had tested positive.

The state's mobile testing program collected more than 4,500 tests from 264 facilities as of Tuesday and 77 facilities had requested more than 8,600 test kits, the governor said. Since the start of March, almost 1.3 million masks, nearly 200,000 gowns and more than 2 million gloves have been distributed by the state to long-term care facilities.

The governor also said Wednesday that the state has contracted an unnamed firm that specializes in nursing home crisis management to provide long-term care centers with on-site management and operational support, and assistance with staffing, vendors, and implementing infection control measures.

The governor ended his prepared remarks Wednesday by noting that it was the seven-year anniversary of the Boston Marathon bombings that killed three people and left hundreds injured, including more than a dozen who lost a limb due to the blasts on Boylston Street.

"There was a lot of sadness that day, but there was also bravery, compassion and strength. First responders, health care workers and bystanders rushed in to help, putting their lives on the line in the process. Neighbors, friends and strangers held each other up with acts of kindness. The city and the commonwealth rallied, rose to the occasion, and turn tragedy



into strength," Baker said.

"Now, as we all endure a worldwide pandemic, we are rising to the task to meet it again. Every day, nurses, doctors, public safety personnel and countless other essential workers in the public and private sectors are rushing to the front lines. Millions of Massachusetts residents are sacrificing, upending their lives to protect one another from further spread. There's no doubt we have tremendous challenges ahead. But the one thing I am absolutely sure about and that is never in doubt is the remarkable people of Massachusetts. We will get through this. We will get through it together, just like we have so many times before."

Jackie Robinson Day

Amidst the economic and health-related chaos we are all experiencing during this Coronavirus crisis, let's fall back for a brief moment on a positive event - albeit a longtime coming when it finally occurred. On April 15, 1947, Jackie Robinson donned the #42 jersey and made his major league debut for the Brooklyn Dodgers on Opening Day, thus becoming the first black major league baseball player of the modern era. His debut ended almost 80 years of baseball segregation. Robinson was inducted into the Baseball Hall of Fame in 1962, in his first year of eligibility. Although the MLB initiated the official commemorative Jackie Robinson Day for the first time on April 15, 2004, at thirteen ball parks, it would become a league-wide celebration in 2005. In fact, the celebration was commenced on April 15, 1997, at Shea Stadium when Robinson's #42 was officially retired for all MLB teams in a ceremony attended by Robinson's widow, Rachel, and President Clinton. Although a handful of active players were allowed to continue to wear the #42, the Yankees' Mariano Rivera, himself a Hall of Famer, was the last to wear the #42 on a regular basis up to his retirement in 2013.