



BULLETIN #72/2020 MAY 21, 2020

_CORONAVIRUS UPDATE #58

NADA UPDATES CARES ACT FAQs

CONGRESS BEGINS EFFORT TO REWORK PPP

RMV OPENING ATTLEBORO B2B SERVICE CENTER

UNEMPLOYMENT INSURANCE BILL SENT TO GOVERNOR

MEMORIAL DAY HOLIDAY RULES REMINDER; ALSO, AUTO SALES REMOTE FULFILLMENT, CURBSIDE PICKUP CAN START MAY 25

U.S. CHAMBER PUBLISHES PPP GUIDE TO FORGIVENESS

SBA EXTENDS DEADLINE FOR LENDERS TO SUBMIT PPP INFO

NADA DEALERSHIP LIFELINE WEBINAR FOR FRIDAY, MAY 22

MASSACHUSETTS COVID-19 DAILY TRACKER

[This bulletin supplements our previous bulletins #11 and #16 through #71 on this subject matter. These bulletins are intended to be cumulative so we can avoid repeating the same information.]

NADA Updates CARES Act FAQs

Today NADA updated its [CARES Act FAQs](#) to reflect new loan forgiveness elements in the Paycheck Protection Program. NADA encourages dealers to review all items carefully and in particular:

- Question 20: How will the SBA review a borrower's good-faith certification?
- Question 35: What portion of the PPP loan is forgivable?
- Question 38: What could jeopardize loan forgiveness (non-qualifying costs)?
- Question 39: Is there anything else that could jeopardize the ability to have the loan forgiven?

Congress Begins Efforts to Rework PPP

Recent reports show [many businesses are struggling with the PPP rules](#). Congress is preparing to make significant changes to the PPP after small-business owners expressed difficulty accessing the funds. The changes will likely include more spending flexibility for employers. Under the current terms, 75% of PPP funds must be spent on employee salaries to qualify for loan forgiveness. *Note: Yesterday NADA updated its [analysis of](#)*



salaries to qualify for loan forgiveness. *Note: Yesterday NADA updated its [analysis of Paycheck Protection Program loans](#) to reflect the federal [forgiveness application documents](#) published on May 16. NADA urges dealers to review these items carefully and provide the application and accompanying documents to their legal and accounting advisors. NADA's analysis will be updated as more federal guidance is released.*

RMV Attleboro B2B Service Center Opening May 26

Due to the evolving situation with COVID-19 and in an effort to continue protecting RMV staff, customers, and business partners, the RMV is opening an additional dedicated B2B Center at the Attleboro RMV next Tuesday, May 26, 2020.

This is in addition to the existing Milford, Wilmington, and Chicopee dedicated B2B Service Centers. New IRP transactions will not be processed at the Attleboro B2B but will still be conducted at the Milford and Wilmington Service Centers.

In following 'social-distancing' practices, these B2B facilities and services will be for drop-off B2B transactions/bundles only and not serve or allow entry to the general public. You will not be allowed to wait in any of these locations for pick-up.

The RMV continues to serve members of the general public on an appointment-only basis at additional locations, consolidated into the larger service centers, and has redeployed teams from nearby, closed offices to ensure staffing resources are available to assist customers and business partners like you.

Please note: Any B2B service requests that appear at the service centers that serve the general public will be redirected to Attleboro, Chicopee, Milford, and Wilmington RMVs.

In keeping with recommendations from the Massachusetts Department of Public Health, the RMV has also adopted enhanced cleaning practices for its facilities, purchased additional contactless hand sanitizer dispensing stations, issued anti-viral disinfectant wipes and individual-size hand sanitizers to certain employees, and expanded areas to be disinfected.

Unemployment Insurance Bill Sent to Governor

In order to assist employers during the COVID-19 crisis, the Massachusetts House and Senate today enacted unemployment insurance assessment legislation that provides that the unemployment benefits paid during the state pandemic emergency would not be charged to the employer's account or used to calculate the employer's experience rating for the unemployment insurance rates for 2021. And then to assist the unemployed, the bill would expand the maximum allowable benefit period for claims from 27 weeks to 30 weeks for any week where unemployment insurance claims exceed 100,000. The bill has been battered back and forth between the legislative chambers since April, with this final agreed upon version now on Governor Charlie Baker's desk for his signature.

Memorial Day Holiday Rules Reminder



Although dealerships presently are operating under certain government-imposed COVID-19 restrictions, dealers still need to be aware of the pay rules associated with any work performed on Memorial Day, Monday, May 25. Under Massachusetts law, Memorial Day is considered a partially restricted holiday. This means:

- Dealership may be open – no permit required.
- Employees may not be required to work.
- Employee cannot be punished or penalized for choosing not to work the day.
- Based on job description, holiday premium pay may be owed to employee who works the day. This year the premium pay rate for any hours worked on the day is set at 1.3 times the employee's regular rate of pay.
- Review your holiday policies under your Employee Handbook, including providing paid time off if closed for the holiday.

Reminder on the Impact of *Sleepy's*: Since May 8, 2019, the SJC's decision in *Sullivan v. Sleepy's* created chaos in the manner in which retailers are allowed to pay overtime and Sunday/holiday premium pay hours earned by 100% commission-paid salespeople. Amongst other aspects of *Sleepy's*, dealers need to make sure not to use commissions to compensate these salespeople for any OT hours worked as well as for any Sunday/holiday premium pay hours worked in the week. Payments for OT, Sunday hours, and holiday premium pay should be separate from any commissions earned and paid to 100% commission-paid salespeople.

What Have You Written in Your Employee Handbook? In addition to complying with the Massachusetts Sunday/holiday laws, a dealership must also comply with its own policies. If your Employee Handbook or past practice says that, for example, Memorial Day is a “paid holiday,” then you are required to pay employees for that day even if they are not regularly scheduled workdays. In addition, if an employee works on the day, the employee would be entitled to holiday pay for the day plus the additional premium pay for the hours worked on the holiday, or another day off with pay, if the handbook so provides. As a result, dealers are urged to review their holiday pay policies carefully to ensure that they accurately reflect their actual practices.

Reminder on Gov. Baker's Re-Opening Plan: As reported in Bulletin #69 (5/18/20), Gov. Baker announced the start of phase one of his re-opening the economy plan beginning on May 18. Effective Monday, **May 25**, under phase one, certain retail activities will be allowed to re-open with remote fulfillment and curbside pickup (**including auto sales**). Please reference Bulletin #69 for the rules of operation for dealership sales activities.

US Chamber Publishes PPP Guide to Forgiveness

The U.S. Chamber of Commerce has published a new Paycheck Protection Program Guide to Forgiveness. The document provides businesses with an easy to understand explanation of what they need to do to apply for forgiveness of their PPP loans. [Click here to download the guide](#). Please note, this guide will be updated as new guidance is issued by the Department of the Treasury.

SBA Extends Deadline for Lenders to Submit PPP Information



The SBA has updated the PPP Loan Report and question #48 in its FAQs. Under [SBA PPP FAQs #48](#): The deadline for lenders to electronically submit the initial SBA Form 1502 reporting information has been extended to: (1) May 29, 2020, or (2) 10 calendar days after disbursement or cancellation of the PPP loan. The information can be found on page 17 of the FAQs. Also, the SBA updated the PPP Loan Report, found [here](#).

NADA Dealership Lifeline Webinar Tomorrow

NADA's Lifeline Series Webinars designed to help dealers during the re-opening phase:
· **Friday, May 22, 1pm-2pm ET:** [The Best Ideas from NADA 20 Groups, Part 4: In Times of COVID-19 Pandemic](#). NADA 20 Group consultant Tim Gavin will review best ideas from NADA 20 Groups during these unprecedented times.

Daily Massachusetts COVID-19 Tracker

The state's COVID-19 Dashboard with up-to-the-date data can be found [here](#).