



BULLETIN #91/2020 JUNE 18, 2020

CORONAVIRUS UPDATE #77

PAYCHECK PROTECTION PROGRAM UPDATES

ECONOMIC INJURY DISASTER LOAN APP DEADLINE IS DEC. 31

FTC ACTION AGAINST DECEPTIVE COVID-19 ADS

NADA DEALERSHIP LIFELINE WEBINARS CONCLUDE

NADA COVID-19 RESOURCES

MASSACHUSETTS COVID-19 DAILY TRACKER

[This bulletin supplements our previous bulletins #11 and #16 through #90 on this subject matter. These bulletins are intended to be cumulative so we can avoid repeating the same information.]

PPP Update: SBA, Treasury Issue New IFR and EZ Forgiveness Application, Revise "Standard" Forgiveness Application

This week the U.S. Treasury Department and the Small Business Administration issued a [New Interim Final Rule \(IFR\)](#) revising two prior IFRs, to conform with changes made by the PPP Flexibility Act. A detailed explanation of these changes was given last week in an NADA webinar entitled [The Paycheck Protection Program Flexibility Act of 2020: Impact on the Use and Forgiveness of Loan Proceeds](#).

An updated version of the ["Standard" Forgiveness Application \(with instructions\)](#) was also issued. This revised application was amended largely to conform with changes made by the PPP Flexibility Act.

Further, Treasury and the SBA issued a simplified, new [EZ Forgiveness Application \(with instructions\)](#) for use by PPP borrowers who can demonstrate (1) that they qualify to avoid any pay level-based reduction in loan proceed forgiveness, *and* (2) either that:

1. They qualify for the headcount-based forgiveness reduction safe harbor; or
2. They qualify for the reduced business activity forgiveness reduction safe harbor.

The agencies have indicated borrowers may evaluate their eligibility for the headcount and pay level forgiveness reduction avoidance safe harbors as of the date their forgiveness applications are filed. This addresses, and favorably resolves, the "as of" vs. "no later than" ambiguity that was discussed at length during the webinar referenced above. A link to that webinar can be found here: <https://www.nada.org/Paycheck-Protection-Program-Flexibility-Act-of-2020/>

As always, be sure to contact your accounting and legal professionals to discuss these



As always, be sure to contact your accounting and legal professionals to discuss these updates.

Deadline to Apply for a PPP Loan Is June 30

The deadline to apply for a loan from the Paycheck Protection Program (PPP), June 30, is fast approaching. The PPP has been the primary resource for small businesses to receive relief for maintaining payroll, hiring back employees and covering eligible overhead.

Legislation signed on June 6 extends the covered period for loan forgiveness from eight weeks after the date of loan disbursement to 24 weeks and lowers the percentage of a borrower's loan proceeds that must be used for payroll from 75% to 60%.

- Small businesses must apply with a lender by June 30. SBA has approximately \$100 billion available for relief.
- See [state-by-state data here](#).

Deadline to Apply for Economic Injury Disaster Loan Is December 31

The Small Business Administration's Economic Injury Disaster Loans and Advance Program is now [open to all eligible small businesses](#) and non-profits impacted by the pandemic.

- The deadline to apply is December 31.
- The loan program offers long-term, low-interest assistance for a small business or non-profit. See [state-by-state data here](#).
- The advance program will provide up to \$10,000 (\$1,000 per employee) of emergency economic relief to a business that is experiencing temporary difficulties; these emergency grants do not have to be repaid. See [state-by-state data here](#).

FTC Takes Action Against Deceptive COVID-19 Advertising

The Federal Trade Commission is [taking legal action](#) against a scheme that allegedly [deceived consumers with mailers](#) purportedly advising them on obtaining COVID-19 stimulus benefits, but instead luring them to a used-car sale. Dealership compliance officers advise dealers to practice [appropriate advertising methods during the pandemic](#).

NADA reminds dealers that while they can tout the efforts they are taking to accommodate consumers and to fight the spread of the virus in their stores and vehicles, they should exercise caution and avoid any sales or marketing efforts that are related to COVID-19; or tactics that are related to the pandemic, the CARES Act, or other federal efforts to address the pandemic.

For information on how to keep your advertising compliant during and after the pandemic, visit the NADA blog and the Dealership Lifeline Series:

- [Lifeline Series Webinar: Legal and Regulatory Implications of Online Sales](#)
- [Blog: Digital Marketing Framework for Navigating Uncertain Times](#)
- [Blog: What Dealers Need to Know About Online Sales](#)



NADA Dealership Lifeline Webinars Conclude

Today NADA concluded its schedule of Dealership Lifeline Webinars. New webinars will be scheduled "as needed". Over these last several months, on an almost daily basis, the team at NADA put together webinars addressing all aspects of the Coronavirus crisis that were timely, substantive, and designed to help dealers confront and prepare for a "new" normal in retail sales and vehicle service. The Lifeline webinars alone were well worth the price of NADA membership during this crisis. Recordings of [all webinars in NADA's Lifeline Series](#) are available to NADA and ATD members 24/7, free of charge. Click [here](#).

NADA COVID-19 Resources for Dealers

NADA has produced a tremendous amount of resources to help dealers and their operations during the Coronavirus pandemic. A prolific source of information has been the NADA regulatory affairs team, by way of guidance, analysis, interpretation and explanation. The regulatory affairs group has recently worked with the NADA public affairs team to reorganize all of the regulatory compliance materials on the NADA Coronavirus Hub. The trove of materials is now organized by "Information" and by "Key Documents." Hot links lead you to every individual item/resource. The site and the links will be updated continuously. Bookmark the address, and click on the links as you need them for the latest versions of everything, such as CARES Act, SBA, PPP, Tax Relief, and more. Please check it out here: <https://www.nada.org/coronavirus/regulatory/>.

Daily Massachusetts COVID-19 Tracker

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