



July 3, 2020

DEALERSHIP INFORMATIONAL ADVISORY

COVID-19 Updates #31

As we continue to work through the COVID-19 pandemic, it is critical for all dealerships to remain diligent in your business practices to prevent the spread of the virus.

Department of Health Face Covering Guidance

The Arkansas Department of Health recently issued guidance on the use of face coverings by the general public ([CLICK HERE](#)). This guidance provides data for why the use of face coverings has a positive impact on minimizing the transmission of COVID-19. The guidance also provides the following recommendations:

- The general public should wear face coverings in all indoor environments where they are exposed to non-household members and distancing of 6 feet or more cannot be assured. This includes, but is not limited to, workplaces (with few exceptions), retail stores, businesses, places of worship, courtrooms, jails and prisons, schools, healthcare facilities, other people's homes and all the scenarios addressed by the Governor's Directives.
- The general public should also wear face coverings at all outdoor settings where they are exposed to non-household members, unless there is ample space (6 feet or more) to practice physical distancing.
- Regarding the type of face covering, medical masks may be somewhat more protective than cloth masks (if they are clean and dry), but more and more evidence supports cloth masks as being sufficient for the general public and effective in preventing transmission. Cloth masks should consist of at least two layers of fabric. N95 respirators should be reserved for front-line health care workers.
- All face coverings should cover both the mouth and nose at all times in order to be effective.

While there is no state mandate requiring individuals to wear masks, the Department of Health Guidance has been referenced and encouraged by Governor Hutchinson for individuals to follow as we attempt to mitigate this the spread.

NEW NADA RESOURCE

Last week, NADA released *A Dealer Guide to Reopening Your Dealership During a Pandemic*. The new resource brings together recommendations from government agencies,

dealer associations and other third parties concerning practices that dealers may wish to consider as they reopen their physical locations in times of COVID-19.

While Arkansas dealers were never required to shut down their dealerships, this publication still has value as it focuses on suggested guidance that seeks to mitigate the potential for spreading COVID-19, including dealership-wide and department-specific protocols for cleaning and disinfection, health screening, and social distancing. It describes a potential task force charged with developing a detailed return-to-work plan and enforcing all protocols, discusses training employees, and provides numerous examples of helpful signage.

The *Driven Guide* is [available here](#).

NADA CORONAVIRUS HUB

As a reminder, NADA has produced a tremendous amount of resources to help dealers and their operations during the coronavirus pandemic.

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 CARES Act, SBA, PPP, Tax Relief and more. Please check it out here: <https://www.nada.org/coronavirus/regulatory/>.

U.S. DEPARTMENT OF LABOR - WAGE AND HOUR DIVISION ANNOUNCEMENT

Recently, the U.S. Department of Labor announced two opinion letters that apply directly to dealers and provide compliance assistance related to the Fair Labor Standards Act (FLSA).

As a point of background, opinion letters are an official, written opinion by the Department's Wage and Hour Division (WHD) on how a particular law applies in specific circumstances presented by the person or entity that requested the letter. Dealers can rely on these opinion letters in good faith to assist them in compliance with FLSA.

The two opinion letters issued are:

- [FLSA2020-7](#): Addresses whether an automobile manufacturer's direct payments to an automobile dealership's employee, compensating the employee for work done on behalf of the dealership, may count toward the dealership's minimum wage obligation to the employee under the FLSA;
- [FLSA2020-10](#): Addresses the application of the retail or service commission sales exemption under Section 7(i) of the FLSA, where more than half of an employee's compensation in the relevant representative period ultimately does not consist of commissions.

ADDITIONAL AND HELPFUL LINKS

For additional information related to maintaining your dealership as safe, we would recommend monitoring updates from the [CDC](#), [OSHA](#), and the [Arkansas Department of Health](#).

Please go to our website for links to information your dealership needs at [AADA coronavirus update](#).

AADA will work to keep you updated on this situation, but a firm commitment to maintaining a safe and clean work environment for your employees and customers will help you navigate this health crisis.

If you have any questions about this bulletin please don't hesitate to call, 501-372-2596, or email Greg Kirkpatrick greg@arkautodealers.com.