

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 Small Business Administration 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?

Lawmakers Begin 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 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.

NADA's Dealership Lifeline Series Will Help Dealers Safely Reopen

- [The Best Ideas from NADA 20 Groups, Part 4: In Times of COVID-19 Pandemic](#) (Friday, May 22, 1pm-2pm ET) NADA 20 Group consultant Tim Gavin will review best ideas from NADA 20 Groups during these unprecedented times.
- [Post-COVID19 Expense Reduction Using Spend Management Best Practices](#) (Wednesday, May 27, 1pm-2pm ET) Doug Austin, from expense management solution provider StrategicSource, will discuss spend management strategies, processes and best practices to reduce expenses.