

# Restarting California's New Car Dealerships in the Wake of COVID-19

## OVERVIEW

This CNCDA Member Toolkit is designed to help dealerships implement new protocols and procedures, ensuring the health and safety of consumers and employees, during the COVID-19 crisis. This document is not intended as legal advice, nor is it intended to be comprehensive regarding all COVID-19 compliance matters. Instead, this toolkit is designed as an informational checklist, which includes key resources for critical areas that dealerships need to be aware of as they reopen to the public and begin to resume day-to-day operations. Dealers should also note that while CNCDA intends to use its best efforts to update this document, COVID-19 compliance issues continue to change quickly. For legal advice, contact competent counsel.



### Key Resources

- State of California – [Industry Guidance and Checklist on Auto Dealership COVID-19 Operations](#)
- State of California – [COVID-19 Employer Playbook](#)
- State of California – [List of Counties by Current Risk Level](#)
- State of California - [Regional Stay Home Order Status](#)

## GENERAL REQUIREMENTS

- ✓ Create a COVID-19 compliance team, identify a team leader, and assign responsibilities.
- ✓ Purchase equipment necessary to comply with health requirements (e.g., face masks, touchless body thermometers, hand sanitizers, disinfectant wipes, etc.).

## HEALTH REQUIREMENTS

- ✔ Observe the [statewide COVID-19 guidance for auto dealerships](#).
  - Adopt a written worksite prevention and response plan.
  - Train all employees on COVID-19 compliance.
  - Conduct daily employee health screenings.
- ✔ Post the [statewide COVID-19 checklist for auto dealerships](#) so it is visible to customers and employees.
- ✔ Implement [face covering requirements](#) at your dealership that comply with the statewide order.
- ✔ If your employees have exposure to COVID-19, follow the response protocol outlined in the [COVID-19 Employer Playbook](#).
- ✔ Notify your [local health department](#) (and the health departments of any infected employee) in the event three or more employees test positive for COVID-19 within 2 weeks.
- ✔ Visit your local jurisdiction's website to ensure you are complying with the most current requirements.

### Additional Resources

- ✦ A [sample worksite prevention and response plan and employee training materials](#) are available on CNCDA Comply.
- ✦ [The California COVID-19 Employer Playbook](#) discusses requirements in much greater depth.
- ✦ Fine, Boggs, and Perkins LLP – [COVID-19 Employee Exposure Dealership Response Checklist](#)
- ✦ CNCDA [COVID-19 Exposure Notification Checklist](#)

## EMPLOYEE AND CUSTOMER SPACES

- ✔ Rearrange workspaces, common areas, break rooms, and customer waiting areas to allow for 6 feet of separation.
- ✔ If your dealership is subject to the [Regional Stay Home Order](#), limit indoor occupancy to 20% in retail spaces. Discontinue the sale of food and drinks for in-store consumption.
- ✔ If your dealership is not subject to a Regional Stay Home Order, but is in a ["Tier 1" county identified by the State of California](#), limit indoor occupancy to 25%. Otherwise, limit indoor occupancy to no more than 50%.
- ✔ Enhance measures to increase sanitation and disinfection, including:
  - Easy access to hand sanitizers (with at least 60% alcohol), tissues, no-touch trash receptacles in prominent places for employees and customers.

- Install plexiglass or other clear barriers to separate customers from employees where applicable.

✔ Post frequency of cleaning schedule.

### Additional Resources

- ✦ U.S. Environmental Protection Agency's (EPA) – [List of products that meet criteria for use against COVID-19](#)
- ✦ Centers for Disease Control and Prevention (CDC) – [Cleaning and Disinfecting Your Facility](#)

## OTHER EMPLOYMENT REQUIREMENTS

✔ Implement employment procedures to comply with California law, including:

- ✔ Rehired employees should sign a reinstatement [agreement](#).
- ✔ Use a [recall letter](#) to notify furloughed employees that they should report to duty.
- ✔ [Amend your pay plans](#) if you are changing compensation for PPP loan forgiveness or other purposes.
- ✔ If you are considering a mass layoff, ensure compliance with [California WARN Act](#).

✔ Provide leave to employees, when required by federal, state, and local law.

- ✔ Employees that are absent from work due to COVID-19 may be entitled to [paid leave under the FFCRA](#).

### Additional Resources

- ✦ U.S. Equal Employment Opportunity Commission – [Coronavirus Guidance and Resources](#)
- ✦ Sample leave request form, available on [CNCDA Comply](#)

## SIGNAGE

- ✔ Post the [statewide COVID-19 checklist for auto dealerships](#) so it is visible to customers and employees.
- ✔ Post public signage required by your local health department, which may include a social distancing protocol and other items.
- ✔ Post the workplace poster required by the Families First Coronavirus Response Act (FFCRA).
- ✔ Consider posting a California Consumer Privacy Act (CCPA) notice for employees regarding the collection of health information during symptom checks.

- ✔ Consider posting [applicable signage](#) developed by the CDC to encourage good hygiene.

### **Additional Resources**

- ✦ U.S. Department of Labor – [Downloadable copy of the FFCRA poster](#)
- ✦ [CDC posters promoting good hygiene](#)

## **GOVERNMENT BENEFITS**

- ✔ If applicable, review the Small Business Administration’s [Paycheck Protection Program](#) (PPP) which offers forgivable loans for small businesses, including many dealerships.
- ✔ Ensure compliance with the [Families First Coronavirus Response Act \(FFCRA\)](#) which imposes new [paid leave requirements](#) on businesses.

### **Additional Resources**

- ✦ U.S. Department of the Treasury – [PPP Resources](#)
- ✦ U.S. Department of Labor – [FFCRA Resources](#)

## **VEHICLE SALES AND DMV ISSUES**

- ✔ Comply with [applicable local restrictions on vehicle sales](#).
- ✔ If you are selling vehicles online and/or engaging in off-site deliveries, [make sure to follow DMV guidance](#).
- ✔ Salesperson licenses may be [renewed on-line](#). New licenses must be submitted in person at DMV field offices.

### **Additional Resources**

- ✦ Arent Fox LLP – [Online Vehicle Sales, Remote Selling and Home Deliveries](#)
- ✦ Arent Fox LLP – [Sample Checklist](#) for Online Vehicle Sales and Remote Deliveries