



March 24, 2020

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
United States House of Representatives  
Washington, DC 20515

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

Dear Speaker Pelosi, Majority Leader McConnell, Minority Leader Schumer, and Minority Leader McCarthy:

International nameplate automobile dealers have a powerful, positive impact coast-to-coast on their neighborhoods, cities, and states. Dealerships are more than a place to shop for and buy a new vehicle; they are employers, sources of charitable giving, tax bases, and service centers. They are the heart of the auto industry in America, and they are committed to serving their communities, especially in times of crisis.

We thank Congress and the Administration for their initial swift action in response to the COVID-19 pandemic. We realize negotiations are ongoing for the next phase of assistance and that there will possibly be more government efforts after that. As that process moves forward, we urge you to take under consideration the automotive retail industry and the nearly 9,500 international nameplate auto dealers across the country.

In 2018, international nameplate dealership franchises created 578,000 direct American jobs with a payroll of \$34 billion, as well as over 547,000 additional indirect jobs. Together, they provided more than half of all U.S. dealership jobs and sold 9.2 million vehicles, resulting in a 56 percent share of the U.S. market. International nameplate dealerships are the lifeblood of their communities.

However, we are already witnessing a substantial downturn in business. Moody's recently stated that the auto industry will be one of the industries "most affected in the near term." As Congress and the Administration discuss next steps, AIADA urges you to act quickly and purposefully to put forth strategies and policies that strengthen the economy, help stabilize markets, and ensure liquidity for businesses.

AIADA asks that any further legislation or regulation take into consideration the following:

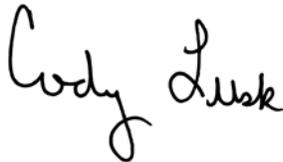
- Provide readily accessible credit to businesses to ensure they have the cash to pay their employees, rent, and other costs during this crisis.
- Reconsider the 500 employee threshold when considering eligibility for certain tax credits or deductions within relief packages. It is common for those in the automotive business to

organize dealerships in separate entities with independent staff, payroll, management and customers, each of which have far fewer than 500 employees. However, the combined organization often exceeds 500 employees. We ask that dealership groups be allowed to waive aggregation.

- Delay the proposed entry into force date for the USMCA of June 1<sup>st</sup>.
- Delay or defer 2020 quarterly federal tax payments.

International nameplate auto dealers feel an obligation to their employees, customers and communities to keep their doors open to the public and especially the first responders and health care professionals who are on the front lines battling this virus. They know they are not alone in this fight and that they can count on you to equip them with the tools and flexibility they need to stay afloat. Thank you for your consideration of the international nameplate dealers and their employees.

Sincerely,

A handwritten signature in black ink that reads "Cody Lusk". The signature is written in a cursive, slightly slanted style.

Cody L. Lusk  
President and CEO  
American International Automobile Dealers Association