



March 23, 2020

Dear Speaker Pelosi, Senate Majority Leader McConnell, Senate Democratic Leader Schumer, House Majority Leader Hoyer, and House Republican Leader McCarthy:

As the heads of the major trade associations and organizations representing automobile manufacturers, dealers, and suppliers, we write to express our continued strong support for immediate action by Congress and the Administration to confront the economic slowdown being caused by COVID-19.

In the United States, 14 automakers operate 44 assembly plants. In total, the U.S. auto industry accounts for about 10 million jobs, and auto manufacturing, sales, and service account for almost \$2 trillion in economic output. Attached, you will find a chart outlining the existing status of auto plants in North America.

The challenges related to COVID-19 are directly impacting not just automakers but all aspects of the auto sector – which includes suppliers, dealers, and other key small business partners across the country. Auto industry analysts are expecting sales to be down by as much as 40 percent in March compared to 2019. To protect our employees' health and safety as well as to adjust to significant reductions in demand, manufacturers, as well as dealers and suppliers, have made decisions to suspended or alter production and operations temporarily.

Auto manufacturers, suppliers, and dealers hold massive payables that support a highly integrated network of businesses through complex, just-in-time logistics. Stalling sales and halted production threatens a vast network of businesses in every state, which is why Congress and the Administration must take important steps to pass a robust economic stimulus package that can assist businesses large and small as they work to confront the challenges that they face due to events beyond their control.

With that in mind, we urge Congress and the Administration to swiftly enact a series of policies that would provide immediate relief to the overall economy, including the automotive industry, to ensure that sufficient liquidity remains available in the markets to support businesses, as this public health crisis continues to escalate causing further hardship to workers, consumers, and daily operations. We urge Congress to ensure the following provisions are included in any economic stimulus package:

- The creation of robust credit facilities to provide loans and loan guarantees to large employers, medium-size manufacturers and small businesses;

- Ensuring that businesses with more than 500 employees that provide paid leave for their employees due to COVID-19 are able to receive a tax deduction or credit to maintain their workforce;
- Delaying or deferring 2020 quarterly federal tax payments;
- Expanding and extending expensing for equipment and machinery; and
- Delaying the June 1st date of entry into force for the USMCA.

Enacting these policies in the immediate term would help moderate the impact of the economic situation our nation faces which will assist businesses and workers as we work to get various parts of our economy moving again in the coming weeks and months.

Thank you for your ongoing efforts to pass critical legislation on behalf of the American people.

Sincerely,



John Bozzella
President and CEO
Alliance for Automotive Innovation



Peter Welch
President and CEO
National Automobile Dealers Association



Bill Long
President & CEO
Motor & Equipment Manufacturers Association

Enclosure



Auto industry analysts are expecting sales to be down by as much as 40 percent in March compared to 2019.

To protect their employees' health and safety as well as to adjust to significant reductions in demand, manufacturers have suspended production temporarily as outlined below.

North American Assembly Facilities			
Country	Metric	Number	Percent of totals
U.S.	U.S. Employment	176,070	
	Closed as of 3/20/2020	56,591	32%
	Closed after 3/20/2020	164,470	93%
	Number of plants total	44	
	Number of plants Closed on 3/20/2020	15	34%
	Number of plants Closed after 3/20/2020	42	95%
Mexico	Mexico Employment	70,665	
	Closed as of 3/20/2020	10,780	15%
	Closed after 3/20/2020	31,433	44%
	Number of plants	18	
	Number of plants Closed on 3/20/2020	3	17%
	Number of plants Closed after 3/20/2020	11	61%
Canada	Canada Employment	31,626	
	Closed as of 3/20/2020	4,500	14%
	Closed after 3/20/2020	31,626	100%
	Number of plants	7	
	Number of plants Closed on 3/20/2020	1	14%
	Number of plants Closed after 3/20/2020	7	100%
North America	Total Employment	278,361	
	Closed as of 3/20/2020	71,871	26%
	Closed after 3/20/2020	227,529	82%
	Number of plants	69	
	Number of plants Closed on 3/20/2020	19	28%
	Number of plants Closed after 3/20/2020	60	87%