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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor



Zurich is a 'direct writer' of GAP/T&W/VSC/Coatings and Vehicle Marketing Products. Menu/iPad (GenY) F&I Selling Systems. In-store, off-site and online training & validation for: Processes, Effectiveness, Compliance and Retention. Multiple Reinsurance options.

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MADA Thanks Our Outgoing President & Welcomes A New Slate of Officers

With 2019 now officially behind us, MADA would like to thank Mr. Jeff Williams for serving as our association president. He put in a lot of time and effort behind the scenes to support the interests of our members in Michigan. We appreciate his commitment to dealers throughout Michigan and look forward to working with him in his final year on the executive committee, as he transitions into his role as MADA's immediate past president.



We welcome in the new 2020 MADA officers, who were announced and approved during the MADA Annual Meeting in December. We thank them for agreeing to serve this year.

- President Steven Brown
- First Vice President William Perkins
- Second Vice President Cliff Cicotte
- Immediate Past President Jeff Williams

Each year this group of dealers works closely with the MADA board and association staff to guide and advise on issues important to dealers. They communicate with their colleagues around the state, speak to government officials when regulatory topics require dealer involvement, help guide association policies and procedures, and stay informed on many other topics and issues. The support and involvement of these individuals is critical to the success of our association and helps us maintain a positive and prominent presence in Michigan.

Reminder: Sales Tax Trade-in Credit is Now \$6,000 (max)

With the legislative change that was passed in 2018, each January 1st the cap on the trade-in value now increases by \$1,000 until it reaches \$14,000, at which point the cap is removed and full sales tax on the difference is implemented. In 2020, a customer can receive up to a \$6,000 reduction in the taxable price of a vehicle, reducing the amount of sales tax due. Please remember that the Delivery Date determines the sales tax trade-in credit amount to apply (NOT purchase date).



The state also created a document with answers to frequently asked questions related to the sales tax trade-in credit, such as:

Q. Can more than one vehicle be used as trade-in credit?

A. No, only one vehicle can be used toward the sales tax trade-in credit. If two or more vehicles are traded in, sales tax credit for only one of the vehicles can be applied.

A link to the state's FAQ is available within the MADA website at www.michiganada.org or [click here](#).
(NOTE: While the trade-in mentioned is the 2019 amount of \$5,000, the questions and answers are valid.)

Have You Confirmed That Your Renewal Was Submitted?

All dealerships should have submitted a 2020 dealer license renewal prior to January 1, 2020. It is important for dealers to confirm that their dealer license renewal has been submitted online or by mail (either to MADA or directly to the state). If unsure, please check with the staff member who handles your license renewals. If a renewal has not been submitted please do so immediately.

In the past, MADA was able to review a non-renewal report and contact any member dealership that was missing the renewal application. Unfortunately, we have not been able to do so this year due to the delay in processing renewals at the state. Some dealers are only now realizing they didn't submit paperwork.

Reminder from Colombo & Colombo, P.C...

Increased Minimum Salary For "White Collar" Exemptions

Please note: this does NOT affect technician, parts people or sales people exemptions that dealerships have relied upon. It is exclusive to executive, administrative, or professional employees.



As we recently reported, effective January 1, 2020, the minimum guaranteed salary requirement for the "white collar" exemptions from overtime under the Fair Labor Standards Act (FLSA) is being raised from \$23,660 to \$35,568. Under the "white collar" exemptions from overtime, an employee may be considered exempt from the overtime requirements of the FLSA if he/she falls within any of the three white collar exemptions, i.e., the employee is a bona fide executive, administrative, or professional employee.

Please note, an employee is not considered exempt, merely because of a certain title or because he/she is paid a "salary." Rather, an employee must (1) be paid a guaranteed minimum at the specified threshold (\$684 per week under the new rule); AND (2) the employee must also meet the other myriad requirements for the exemption, including the duties tests applicable to each exemption.

For those employees who were previously categorized as exempt from overtime under a "white collar" exemption, but who do not meet the new required minimum salary threshold, dealers must either increase the employee's salary to \$684.00 per week or reclassify the employee as nonexempt and begin paying that employee overtime for all hours worked over 40 in a week.

The Department of Labor will allow employers to use nondiscretionary bonuses and incentive payments (including commissions) to satisfy up to ten percent of the minimum salary level for the "white collar" exemptions, provided that such payments are paid at least annually.

Please feel free to contact a member of the Colombo & Colombo Dealer Practice Group with any questions about this notice at (248) 645-9300. You may also contact MADA at (800) 292-1923 or email news@michiganada.org.

2020 NAIAS Charity Preview to Feature Indoor/Outdoor Entertainment, Two Ticket Options and New Dress Code

The NAIAS has announced that the Charity Preview will expand into Hart Plaza with two ticket options offering indoor and outdoor entertainment, experiential displays, some of the city's best eats and a reimagined summertime dress code.

The signature event is Friday, June 12, 2020 and will span the 2-million-square-foot TCF Center and Hart Plaza auto show campus.



All Access Tickets

*Tickets are \$400 each/\$750 per pair
Dress is creative black-tie*

Offering Charity Preview guests total access to the entire NAIAS indoor and outdoor campus,

Outdoor Access Tickets

*Tickets are \$200 each
Dress is summer-chic*

Offering access to the NAIAS outdoor campus in Hart Plaza, to what is expected to be a new

including the VIP Ribbon Cutting Ceremony inside TCF Center, admittance to the show floor and full access to NAIAS activities in Hart Plaza, including all Outdoor Access offerings.

- Benefits include complimentary cocktails and a selection of hors d'oeuvres representing "A Taste of Detroit."
- Capping off the events inside TCF Center will be a special appearance by an iconic musical guest on the Atrium stage.

All Access Schedule

- Ribbon Cutting Ceremony from 5-6 p.m. in TCF Center Atrium.
- Show floor access from 6-9 p.m.
- Headline entertainment in TCF Center Atrium from 8:45-10 p.m. Entertainment to be announced in the coming months.
- Access to NAIAS outdoor campus in Hart Plaza from 6-11:30 p.m.

generation of Charity Preview attendees. (Does not include indoor access to TCF Center.)

- This area will feature multiple engagements as well as street food available from some of Detroit's most popular food trucks and beer and wine.
- Entertainment appealing to the millennial generation and beyond will be featured in the plaza's open-air amphitheater in addition to various music options at multiple locations throughout the outdoor venue.

Outdoor Access Schedule

- Access to NAIAS outdoor campus in Hart Plaza from 8-11:30 p.m.
- Food trucks and beer and wine available throughout the evening.
- Headline entertainment in Hart Plaza's open-air amphitheater from 10-11 p.m.
- Additional entertainment in the outdoor venue area throughout the evening.

Charity Preview tickets will go on sale Monday, March 16, 2020.

Please [click here](#) for more information about the NAIAS Charity Preview.

If you have questions on this rather confusing topic, consider attending the Jan. 15 webinar **Steps to Make Dealership Websites Accessible**



People with a variety of auditory, visual, physical and/or cognitive disabilities use assistive technology (e.g., screen readers, text enlargement tools, programs to control computers by voice) to enable computer use. According to the U.S. Department of Justice the Americans with Disabilities Act (ADA) applies to public-facing commercial websites; now is a good time for franchised dealerships to evaluate their websites for accessibility compliance.

If a dealership's website is not compatible with assistive technologies, disabled customers may not be able to shop for vehicles, make online parts purchases or learn more about what the dealership offers them. Web accessibility also boosts a dealership's search engine optimization efforts and improves organic search rankings. In addition to losing potential sales, dealerships risk facing legal action. To date, plaintiffs across the country have asserted that websites for businesses, including dealerships, do not provide equal access under the ADA for persons with disabilities. These dealerships have often settled to prevent expensive litigation, making a commitment to improve website accessibility.

Most public-facing dealership websites involve vehicle OEMS, website developers, vendors and other content providers; addressing dealership website accessibility is complex because each of these entities exerts control over, has responsibility for, manages and/or provides content to dealership websites.

More information from NADA:

- [FAQ on website accessibility and the ADA](#)
- [Jan. 15 webinar at 1pm ET](#) (must have NADA login credentials)

Too often MADA hears from dealers with yet another instance of fraud in the dealership. *Automotive News* recently published articles discussing the current environment and how things are changing. On the positive, use of synthetic IDs is decreasing...but scammers are now starting to return to other types of vehicle fraud - and dealerships are feeling the financial burden of deals gone bad.



Automotive News

Fighting fraud is a cat and mouse game

In fraud fight, lenders go after dealerships

Every move in fraud prevention inspires a countermove by fraudsters, experts in auto finance security say.

On the plus side, the growth of synthetic identity fraud in auto lending has leveled off in 2019 after years of steep increases, according to TransUnion, of Chicago, a leading credit bureau. Factors include better technology available to auto lenders, the use of artificial intelligence, and data-sharing among lenders, experts say...

Keep reading >>

<https://www.autonews.com/finance-insurance/fighting-fraud-cat-and-mouse-game>

Auto lenders are taking an increasingly hard-nosed approach to identity theft fraud, and dealerships are feeling the heat.

Lenders are enforcing the letter of the law, legal experts and dealership vendors say. Sometimes that means more aggressively making dealerships buy back deals gone bad, especially in cases where the buyer was likely an identity thief and — in the lender's view — the dealership's finance and insurance office didn't do an adequate job...

Keep reading >>

<https://www.autonews.com/finance-insurance/fraud-fight-lenders-go-after-dealerships>

Dates to Remember

Licensing & Regulatory

Dealer License Renewals. The state is currently behind in processing renewals. That said, if you would like to check the status of your renewal:

- Go to [CARS e-Services](#) (no need to log in)
- Under the *Business Services* section, click *Dealer Services*
- From the new page click *Search Dealer*
- Enter your dealer number - but no additional information, click *Search*

Reminder! Current dealer plates remain active through the end of Feb. 2020.

Upcoming Events

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*Jan 30 - Feb 2, [Public Show](#)

Feb 14-17: [NADA Show](#)

Advance registration ends Feb 7!

Ongoing: [Webinars & training opportunities](#)



NATIONAL AUTOMOBILE
DEALERS ASSOCIATION

Upcoming Webinars for NADA Members

The Power of Staff Development

Wednesday, January 8 | Noon-12:30pm ET ([more info](#))

Best practices to develop dealership staff into high performers. Fundamentals of communicating goals and vision to maximize the potential of each employee.

Implementing Change at Your Dealership

Wednesday, January 29, 2020 | Noon-12:30pm ET ([more info](#))

Incremental Change is the change management practice that helps leaders focus on small adjustments that lead to big results without the internal fight. Focus on macro- and micro-changes to improve clarity, employee satisfaction and, most importantly, sales performance.

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Chatfield Named MIRS House Member Of Year
- Inman Recall Gets New Hope From Supreme Court
- Lucido Named MIRS Senator of the Year
- 'My Governor' On The Title 'My Governor'

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Plante Moran is among the nation's largest certified public accounting and business advisory firms. From tax minimization and fraud prevention to mergers and acquisitions and cost segregation studies, you'll benefit from a full range of services designed to help you navigate the complex retail dealer market.

Kurt Beck
kurt.beck@plantemoran.com
(517) 336-7492



With over 10,000 products available, Reynolds and Reynolds offers forms and supplies for every department in your dealership, including standardized, legally-reviewed F&I compliance documents. Reynolds also offers a variety of products and services to meet your marketing needs.

David Williams
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Michigan Automobile Dealers Association

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MADA Says Thank You to the Team at DIFS

We would like to thank the Michigan Department of Insurance and Financial Services (DIFS) for all the work they do for Michigan dealerships on a daily basis. The department staff is friendly, helpful and always willing to speak with MADA as we work together to support dealership's licensing and compliance requirements.



As with many other departments within the State of Michigan, DIFS has recently had a few retirements and transition of job responsibilities. JoAnn Hubbard, one of our primary contacts at DIFS, has retired after many years with the department. Her knowledge of dealer finance licensing will be missed, but we wish her well as she enjoys retirement. Sue McGhee is our new licensing contact. She has been wonderful to work with and created a seamless transition, as she already has many years of experience in the department. MADA would also like to thank Mark Wiegold, Brenda Gardner and the rest of the DIFS team. We look forward to continuing a positive relationship with DIFS as we support the licensing and compliance needs of MADA members.

Question: Why Should I Run Carfax on A Vehicle Taken in on Trade?



Answer: to protect yourself in case the title and lien information provided by the customer is not the most current paperwork.

Occasionally a customer can't find (or chooses not to provide) current documentation for the vehicle they want to trade in. Recently we have heard from a few dealers who ran into problems when a customer provided outdated paperwork - showing a clean title and no lien. However, after the dealer took possession of the vehicle, it was found that a more recent title had been issued - with a lien for more than the value of the trade in.

A Carfax report should show the current information, helping to protect a dealership if a customer provides outdated paperwork.

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.

CVR quarterly inventory count dates & instructions

2020 CVR Count Day Schedule

- **Q1- Tuesday, Jan. 14, 2020**
- Q2- Tuesday, Apr. 14, 2020
- Q3- Tuesday, Jul. 14, 2020
- Q4- Tuesday, Oct. 13, 2020

Count Day Instructions

Dealers are reminded to submit the Q1 inventory count on Tuesday, January 14, 2020, **before processing any new CVR transactions**. Dealers will not be able to process CVR transactions until the count is submitted.

1. **Print an inventory available report** from the CVR computer
2. **Verify the report by physically checking** the actual inventory to ensure that each plate or tab/permit is present. Sealed boxes do not need to be opened, simply check the labeling on each package.
3. **If there are no discrepancies** between the printed report and the physical verification, **type the inventory numbers** (beginning, ending and totals for plates, tabs and permits) into the CVR system. Remember to enter each line separately.
4. **Submit the report**

Dealers who do not submit the required information are in violation of their agreement with the Michigan Department of State and risk losing the ability to use the CVR program.

If you have questions, or if you are having difficulty meeting your requirements, please contact your CVR account representative or call CVR Support (800) 333-6995 so that we can help you stay in compliance.



Return unused 2020 Serialized Tabs

Dealers are also reminded that obsolete tabs must be returned to the CVR warehouse by January 24, 2020. Please note there are different return instructions for the MI EVR and MI CONNECT systems.

[See detailed instructions here](#)

Need a handy CVR contact sheet? [click here](#)

From the FTC Bureau of Consumer Protection, Director Andrew Smith...

New and improved FTC data security orders: Better guidance for companies, better protection for consumers



When Chairman Simons and I arrived at the FTC, one of our first priorities was to strengthen the FTC's orders in data security cases. We've already made three major changes that improve data security practices and provide greater deterrence, within the bounds of our existing authority.

Since the early 2000s, our data security orders had contained fairly standard language. For example, these orders typically required a company to implement a comprehensive information security program subject to a biennial outside assessment. As part of the FTC's Hearings on Competition and Consumer Protection in the 21st Century, we held a hearing in December 2018 that specifically considered how we might improve our data security orders. We were also mindful of the 11th Circuit's 2018 LabMD decision, which struck down an FTC data security order as unenforceably vague.

Based on this learning, in 2019 the FTC made significant improvements to its data security orders. These improvements are reflected in seven orders announced this year against an array of diverse companies: ClixSense (pay-to-click survey company), i-Dressup (online games for kids), DealerBuilt (car dealer software provider), D-Link (Internet-connected routers and cameras), Equifax (credit bureau), Retina-X (monitoring app), and Infotrax (service provider for multilevel marketers).

The improvements fall into three categories.

First, the orders are more specific. They continue to require that the company implement a comprehensive, process-based data security program, and they require the company to implement specific safeguards to address the problems alleged in the complaint. Examples have included yearly employee training, access controls, monitoring systems for data security incidents, patch management systems, and encryption. These requirements not only make the FTC's expectations clearer to companies, but also improve order enforceability.

Second, the orders increase third-party assessor accountability. We still rely on outside assessors to review the comprehensive data security program required by the orders, and now we require even more rigor in these assessments...

Keep reading >> https://www.ftc.gov/news-events/blogs/business-blog/2020/01/new-improved-ftc-data-security-orders-better-guidance?utm_source=govdelivery

Get the Latest Legal and Regulatory Updates at NADA Show 2020

In 2018 and 2019, we witnessed a slew of legislative and regulatory activity in areas that affect dealer operations. At NADA Show 2020, our Legal and Regulatory education sessions will address these hot topics for dealers and provide the information new car- and truck dealers need to stay up-to-date with dealership processes. NADA legal experts will break down key public policy issues affecting franchised new car- and truck dealers. They will highlight late-breaking and ongoing legislative issues and lobbying efforts by NADA to educate lawmakers about the impact of proposed legislation on dealers in their states and districts and provide needed insights on the most significant federal income tax developments. NADA Show 2020 takes place Feb.14-17. Learn more about these sessions and register today.

The 2020 NADA Dealership Workforce Study is now OPEN!

NADA has announced that the automotive retail industry's leading workforce study is open for enrollment in its 8th year! Your participation allows NADA to report on the current trends in employee compensation, benefits, demographics, retention and more. Dealers can use it to fine-tune employee compensation and benefits, promote retention, and stay ahead of the demographic curve.

Dealers who participate...

All participating NADA Members will receive an electronic copy of a **custom comparison report** for their store. This exclusive report provides dealers a Workforce Management Scorecard that compares and ranks the dealership against a peer group of participating dealerships on key metrics related to compensation, retention and turnover.

In addition, participants receive an electronic copy of the **2020 Dealership National & Regional Trends in Compensation, Benefits & Retention Report** and access for one-year to the **Database Search Tool**. An online based customized search tool with archived compensation and tenure data from all NADA Workforce Studies for 60+ positions!



How to Participate

Enroll at
nadaworkforcestudy.com

Complete a confidential online questionnaire

Export and upload your Payroll File (no personal or dealer identifiable data is reported)

Study will CLOSE April 15, 2020. Please direct questions to workforcestudy@nada.org



MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

EGLE offers grants of up to \$70,000 for EV fast chargers

Public or private organizations can apply for up to \$70,000 each toward the cost of installing direct current fast chargers for electric vehicles under a request for proposals (RFP) announced today by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

The rebates are aimed at encouraging the buildout of an EV fast charging network for automobiles and light-duty vehicles across the state...

Keep reading >>



ACV buys inspection provider TrueFrame

ACV Auctions, an associate member of MADA, has purchased vehicle accident inspection provider TrueFrame, a move that adds retail inspections to ACV's offerings.

TrueFrame is the provider of the True360 vehicle inspections, which aim to provide dealers and consumers more context when they're buying used vehicles. These reports publish on CARFAX and AutoCheck vehicle history reports and on dealer website vehicle details pages...

Keep reading >>

Dates to Remember

Licensing & Regulatory

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- Under the *Business Services* section, click *Dealer Services*
- From the new page click *Search Dealer*
- Enter your dealer number - but no additional information, click *Search*

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Ongoing: [Webinars & training opportunities](#)

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- State Expecting \$140 In Pot Sales Per Person By 2021
- The Cost Of A Lost Decade -- \$5B Annually In State And Local Revenues
- Economist Bullish On Michigan In 2020
- Bill Lets Beachfront Properties Facing Troubled Waters Skip Initial Permits

Associate Member Highlight

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Our customized dealer finance solutions offer competitive interest rates and floor plan terms. Finance options include the improvement or expansion of your facilities as you grow. We strive to add compelling value to our relationship by helping your business via: succession planning, treasury management and personal banking.

Gerald Hartley
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Manheim was established in 1945 as a wholesale vehicle auction operation. With 20,000 employees in operating locations around the globe, Manheim is the world's leading provider of vehicle remarketing services.

Melissa Robison
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Learn more at <https://www.zurichna.com/en/industries/auto>

Coming Soon: Wage & Hour Workshop in East Lansing

MADA is finalizing details with Colombo & Colombo, P.C. to coordinate a workshop for MADA dealers and staff, which will cover the DOL overtime/white collar exemption change and how it affects dealerships. Please look for more information in next week's newsletter.

Question: What Will be Reviewed During an MDOS Inspection?



Answer: MDOS inspectors will look around the dealership and review paperwork to ensure the dealership is compliant with established place of business requirements, dealer plate use, record keeping, and a number of other issues.

MADA and the Secretary of State's office remind dealers that licensed dealerships (and repair facilities) may be inspected at any time, without warning, per regulations set by the Michigan Vehicle Code. The Michigan Department of State is not required to schedule a time to visit the dealership; a representative may simply show up at any time during established business hours. Dealerships are required to provide access to the business and paperwork when an inspector arrives.

The MDOS created [this A/B dealer checklist](#) that can be used for quick reference of dealership-related items that will be reviewed, should an inspector show up at your door. Checklist items include sections covering:

- Established Place of Business Requirements
- Dealer Plate Use
- Record Keeping Requirements
- Class A and B Dealers Specific Records Maintained
- Police Book Entry Requirements

Please remember that dealers should consult the [dealer manual](#) for a comprehensive list of compliance requirements. It is expected that dealers are familiar with this manual, as well as the [repair facility manual](#).

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.

State of Michigan Dealership Training for 2020



The Department of State has posted the 2020 training schedule for dealers and their employees. There are no course registration fees, but preregistration is required. Various sessions are available throughout the year, and the state has recently expanded the locations, beyond Lansing, for some training programs.

Dealer Training: The Michigan Department of State offers training to assist all classes of licensed vehicle dealers and their staff on the basic requirements of the Michigan Vehicle Code. Training is beneficial for owners, managers, sales and office staff.

Topics include: Vehicle Trade-In Credit, Vehicle Registration Fees, TR-210/TR-209 Secured Interest Change on Title Process, Dealership Records and Dealer Plate Usage. [Dates and registration details](#)

Repair Facility / Mechanic Training: The Michigan Department of State, Office of Investigative Services offers training to help repair facilities and their employees with the basic requirements of the Motor Vehicle Service and Repair Act. This course is beneficial for repair facility owners, managers, service advisers and technicians.

Topics include: Proper written estimates and invoices, Record keeping requirements, Repair facility / mechanic responsibilities, Common mistakes to avoid and other basic requirements. [Dates and registration details](#)

Please note: **Beginning March 1, 2020, the Recreation Passport vehicle entry fee will increase to \$12** due to a statutory provision to adjust the fee based upon the Consumer Price Index.

Starting March 1, Residents Will Pay \$12 for Recreation Passport

The Michigan Department of Natural Resources has announced that the regular Recreation Passport vehicle entry fee for residents will increase from \$11 to \$12 – the first Recreation Passport price increase since January 2013. Dealers may want to check their DMS systems to determine if an update is needed before the March 1st implementation, or if the additional dollar needs to be manually added for customers who choose the Passport. All other resident Passport fees stay the same, including those for motorcycles, mopeds and commercial vehicles.

The change is due to a statutory provision to adjust the Recreation Passport fee based upon the Consumer Price Index as determined by the federal Bureau of Labor Statistics. That statutory requirement was put into law when the Recreation Passport funding model was created in 2010 to ensure the funding source keeps pace with inflation.

For more information please [click here](#).



3 Ways Hiring Auto Technicians Has Evolved...

What can your dealership do to ensure you're hiring auto technicians who are qualified to drive productivity and profitability for your business?

[Read more](#)
hireology.com



ASE Introduces Spanish/English Option for Four...

Technicians taking certain ASE automobile certification tests will now have the option to see each question in a split-screen, Spanish/English format...

[Read more](#)
www.ase.com

Dates to Remember

Licensing & Regulatory

Jan. 20: branch offices will be closed Monday, Jan. 20, in observance of Martin Luther King Jr. Day.

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*Jan 30 - Feb 2, Public Show

Feb 14-17: NADA Show

***Hotel reservation deadline is Jan. 23!**

*Advance registration ends Feb 7

Ongoing: Webinars & training opportunities

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers weekly updates on Michigan legislative news.

- Inman Could See Retrial in July; Gov't Says It Didn't Get Fair Trial
- No Set Timeline For Lucido Investigation
- Shirkey: 'Sales Tax Could Be Part of Roads Solution'
- Didn't Get On the Redistricting Commission? Draw A Map

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With nearly 100 years of experience, Ally is one of the largest providers of automotive financing in the U.S. Our extensive experience and deep understanding of the auto industry allow us to offer unrivaled expertise and support.

Susan Frank
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(636) 795-1325



ADESA Flint provides over 2,000 vehicles running weekly in lane and on LiveBlock. Featuring GM (closed/open sales), Budget Truck Rental, Chrysler Capital, credit acceptance/VRS, Enterprise, Fleet Lease Disposal, GM Financial, GTB, PAR North America, U.S. Bank, U-Haul. Over 250 vehicles online on DealerBlock.

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Learn more at <https://www.zurichna.com/en/industries/auto>

Wage & Hour Compliance Workshop

Wednesday, February 26 at the MADA Office in East Lansing



MADA has worked with Colombo & Colombo, P.C. to coordinate a workshop to discuss the DOL overtime/white collar exemption change and how it affects dealerships. This workshop is available to MADA dealers and staff only.

Brief Background

On September 24, 2019 the U.S. Department of Labor (DOL) announced a final rule that would change the minimum salary that white-collar employees must be paid to qualify as exempt from the overtime requirements under the Fair Labor Standards Act (FLSA). The rule took effect January 1, 2020 and raised the minimum salary level for exempt employees from \$455 per week (\$23,660 annually) to \$684 per week (\$35,568 annually).

What You Will Learn

- How OT and wage/hour laws are applied to different staff positions/classifications, including:
 - Salespersons, partsmen, mechanics, etc.
 - Executive, administrative, professional
- Misconceptions involving overtime pay
- Considerations for bonuses and commission
- Guidance on adjusting employee pay and proper classifications of employees, with specific examples
- Steps to ensure your dealership is complying with the law

Please view this [registration form](#) for additional details. Due to seating capacity, there is a limit of 25 attendees. Registration is first-come, first-served. Please contact MADA at news@michiganada.org if you have questions.

Question: A customer signed a purchase agreement and gave a \$100 deposit. Do I have to return the deposit if they back out?



Answer: MDOS reminds dealers that a purchase agreement is a contract between the dealer and the prospective buyer. The contract should specify the conditions under which the deposit may or may not be refunded. You must abide by the terms of the contract.

Many dealers have asked us this question before. The Michigan Department of State does not set guidelines for deposits made on potential deals, other than reminding dealers to follow the conditions of the contract. Some dealers require a non-refundable deposit to "hold" a vehicle or enter a purchase agreement. If your dealership has this policy, it is good practice to verbally inform customers so they are aware that the money will be kept by the dealership if they back out - and put it in writing.

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.

DOT Hazardous Material 2020 Certification

Reminder: re-certification is required every three (3) years

The MADSIF/CastleRock Risk Management Staff once again is offering the DOT Hazardous Materials Certification Training Seminar for dealership personnel. **This DOT Hazmat class is specifically tailored to auto dealership employees.**

The US Department of Transportation (DOT) Regulation requires all businesses that package, ship, handle or store hazardous materials have at least one employee that is DOT Hazmat Certified. Hazardous materials referred to in these regulations include thousands of items, many of which can be found in dealerships, for example flammable liquids, air bags, seat belt pretensioners, paints and adhesives.

Certification is mandatory and must be renewed every three years. If you have an employee who requires recertification please sign them up for this seminar offered around the state in February.

Additional information, dates and locations are available [here](#).



New for 2020 Class

New requirements for Small Quantity shipping

New requirements for Lithium Ion Batteries

Updated UPS & FedEx shipping

Updated employee training

Updated training materials

State of Michigan Settles Court Case

Every dealer has likely read various versions (and "facts") of the settlement details relating to the dismissal of the Tesla lawsuit. Apparently this settlement had been in the works for a while.

MADA, DADA and ADM were not a party in the suit, were not involved in any negotiations, nor were our organizations consulted for information. We were not even aware a settlement was being discussed, and apparently even some legislators were surprised to hear about the agreement.

Tesla previously dismissed the governor from the suit; settlement discussions were therefore made between Telsa, the attorney general and secretary of state.

Following are four major take-aways from the settlement:

1. Tesla may sell direct-to-consumer - with stipulations. The vehicles sold by Tesla must be originally titled in a state other than Michigan. The customer may then re-title the vehicle in Michigan.
2. Tesla may indirectly operate a repair facility in Michigan to perform warranty, recall, service, or repair work.
3. The stipulations ensure customers have full warranty coverage.
4. The court case is dismissed.

Your associations are working to formulate some follow up questions for the secretary of state regarding regulatory requirements, inspections and potential unintended consequences. We continue to work through the settlement to determine how this will affect current dealers, Tesla and future manufacturers. We will report back to dealers when we have more information, and determine potential next-steps.

We thank all dealers for their support over years on this particular issue. We will continue to advocate for our dealers, your customers and the missions of our associations, in a manner that properly reflects new car and truck dealers in the state of Michigan.

Dealers who may have questions are welcome to contact MADA at (800) 292-1923 or call DADA at (248) 643-0250.

More information >> [AG's stipulation to dismiss](#)



5 Tips to Be a Good Mentor

For a mentorship to work, it must be a two-way street. Both parties have to follow certain rules and engage in productive behavior. When done right, a mentorship can change the trajectory of a person's career. But not everyone can provide the...

[Read more](#)

www.mibluesperspectives.com

Colombo & Colombo

Form 8300 Cash Reporting Customer Notification

As part of the IRS cash reporting rule, on or before the **January 31st** following the calendar year for which the Form 8300 was filed, dealerships must provide a written statement to each individual who has been identified on a Form 8300...

[Read more](#)

www.michiganddealerlaw.com

Dates to Remember

Licensing & Regulatory

Reminder! Current dealer plates remain active through the end of Feb. 2020.

Upcoming Events

Michigan Int'l Auto Show, Grand Rapids

*Jan 29, [Charity Spectacular](#)

*Jan 30 - Feb 2, [Public Show](#)

Feb 14-17: [NADA Show](#)

*Advance registration ends Feb 7

Ongoing: [Webinars & training opportunities](#)

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Sky Is The Limit For How Much Gov Could Bond For Roads
- No More Lobbyist Gifts, Free Lunches Under Progress MI Amendment
- Oversight Takes A Quick Snap On Student-Athlete Comp Bills
- Bill Calls For Adult-Sized Changing Tables In Restrooms
- Tesla Can Sell To Michigan Customers, But Sales Must Occur Out-Of-State

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Count on our dealer finance experts for guidance over the long term. From floor plan and cash flow management to real estate and acquisition financing



Auto/Mate Dealership Systems is a leading provider of dealership management system (DMS) software to retail automotive dealerships.

solutions, we help put your vision into action.

Scott Jelinek
scott.jelinek@bmo.com
(219) 789-5470

Young Choi
ychoi@automate.com
(877) 805-9446

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120
Email news@michiganada.org | Website www.michiganada.org

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Zurich is a 'direct writer' of GAP/T&W/VSC/Coatings and Vehicle Marketing Products. Menu/iPad (GenY) F&I Selling Systems. In-store, off-site and online training & validation for: Processes, Effectiveness, Compliance and Retention. Multiple Reinsurance options.

Learn more at <https://www.zurichna.com/en/industries/auto>

Permanent Dealer Plates, Coming Feb. 2020

The Secretary of State's office emailed a notice to dealers on Tuesday regarding changes to dealer plate procedures and configuration.

Reminders

- Current dealer plates will remain active through Feb. 29.
- New dealer plates will be mailed via UPS starting Feb 21.
- An email with tracking number will be sent to the email address on file for your dealership.
- If you do not receive tracking or plates by Feb. 27 please [email Jean Quinn](#).

New for 2020!

- Dealer plates will be issued on a permanent basis.
- In future years, dealers will receive tabs (just like personal vehicles).
- Plate configuration will be 000 D 000.

Want to make sure your license is renewed?

Go to **CARS e-Services** (**do *not* log in to your account**)

Under the *Business Services* section, click *Dealer Services*

From the new page click *Search Dealer*

Enter your dealer number -- and no additional information, click *Search*

Check the *Status* and *Expiration* fields

Have questions? [Email Jean](#)

Wage & Hour Compliance Workshop

Wednesday, February 26 at the MADA Office in East Lansing



MADA has worked with Colombo & Colombo, P.C. to coordinate a workshop to discuss the DOL overtime/white collar exemption change and how it affects dealerships. This workshop is available to MADA dealers and staff only.

Brief Background

On September 24, 2019 the U.S. Department of Labor (DOL) announced a final rule that would change the minimum salary that white-collar employees must be paid to qualify as exempt from the overtime requirements under the Fair Labor Standards Act (FLSA). The rule took effect January 1, 2020 and raised the minimum salary level for exempt employees from \$455 per week (\$23,660 annually) to \$684 per week (\$35,568 annually).

What You Will Learn

- How OT and wage/hour laws are applied to different staff positions/classifications, including:
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 - Executive, administrative, professional
- Misconceptions involving overtime pay

- Considerations for bonuses and commission
- Guidance on adjusting employee pay and proper classifications of employees, with specific examples
- Steps to ensure your dealership is complying with the law

Please view this [registration form](#) for additional details. Due to seating capacity, there is a limit of 25 attendees. Registration is first-come, first-served. Please contact MADA at news@michiganada.org if you have questions. **(Note: only 7 seats are still available in this program.)**

Question: Can a repair facility charge for shop supplies or for the disposal of hazardous waste materials?



Answer: Repair facilities may charge for certain miscellaneous supplies, such as rags, cleaning fluids, lubricants, etc., or for the disposal of hazardous waste materials. The charge for these items must be included in the estimate given to the customer before repairs are started.

The charge should never show up "by surprise" on the customer's final bill, even if it is only 10% or \$50 (whichever is less) of the original estimate. Some estimate forms have a printed note which sets a certain percentage for shop supplies. Even if there is such a note, the price quote on the written estimate must still include the actual dollar amount which will be charged.

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.

Exciting New Improvements in MADA's 401k Plan



CAPTRUST

In today's world, auto dealers are all too well aware of the need for increased cybersecurity measures, while also offering various methods for customers (and employees) to access personal or private information. MADA's 401k provider, CAPTRUST, is excited to announce enhancements to their Freedom401k® program that will benefit the many dealers and employees who participate.

CAPTRUST strives to provide best-in-class solutions for retirement plan sponsors and plan participants. Accordingly, CAPTRUST has recently brought on a new partner with significant experience in customer service and retirement plan recordkeeping.

Milliman is an employee-owned firm with a long history of client service and flexible, effective recordkeeping. Their reputation in the industry and client feedback is overwhelmingly positive. They administer more than \$100 billion of assets from more than 1,100 retirement clients and are continually investing in cybersecurity and system enhancements. Milliman has received over 250 Best-in-Class awards from PLANSPONSOR since 2012.

MADA members who currently participate in Freedom401k® will see immediate benefits from this partnership through enhanced participant tools like a mobile app and a live web-based chat feature and plan sponsor enhancements such as participant notice mailing services and faster contribution file processing. CAPTRUST and Milliman will work together to offer your plan and your employees the best combination of a high-touch service team and a robust technology platform, all found within a consultative company culture.

We applaud CAPTRUST for listening to dealers and taking an important step to further support you and your employees. A company representative will soon reach out to participating MADA members to provide the full scope of the improvements and answer any questions you may have. Not participating in CAPTRUST Freedom401k®? Now is a great time to get more information. Please give MADA a call at (800) 292-1923, or call John Young, Senior VP | Financial Advisor for CAPTRUST directly at (248) 703-1385, if you would like to hear more about the benefits of a 401k program through CAPTRUST Freedom401k®.

Blog Posts You May Find Interesting



NADA Show 2020 Education: Which Workshops Should You Choose?

Dealers and their management teams will learn the latest strategies and emerging trends in the auto industry at this year's NADA Show education sessions. NADA Academy instructors, as well as top industry specialists, will teach real solutions for ...

[Read more](http://blog.nada.org)
blog.nada.org



Coronavirus Outbreak: What You Need to Know

The outbreak of this previously unknown strain of coronavirus started in December 2019 in Wuhan, China. Officials believe it stems from illegally traded wildlife in their marketplace. In the U.S., the first case was confirmed in a Washington...

[Read more](http://www.mibluesperspectives.com)
www.mibluesperspectives.com

Dates to Remember

Licensing & Regulatory

Dealer plates: look for your new plates via UPS the last week of February.

Upcoming Events

Michigan Int'l Auto Show, Grand Rapids

*Jan 29, [Charity Spectacular](#)

*Jan 30 - Feb 2, [Public Show](#)

Feb. **HAZMAT 2020 Certification** [registration form](#)

Feb 14-17: [NADA Show](#)

*Advance registration ends Feb 7

Ongoing: [Webinars & training opportunities](#)

Associate Member Highlight

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Every business sets goals for efficiency, liquidity and profitability. PNC supports these goals by providing customized cash flow solutions to make your everyday business money management as efficient and effective as possible.

Jeff Glaser
jeff.glaser@pnc.com
(248) 729-8215



Newtech Automotive Services, headquartered in Bay City, is one of the automotive industry's leading innovators in technology, consulting, financial services, and vehicle management. Since 1998, our proven systems and methods have helped car dealers throughout the country increase volume and gross.

Dan Whaley
dan.whaley@ntautoservices.com
(989) 671-9680

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120

Email news@michiganada.org | Website www.michiganada.org

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

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With 30 years of experience in the energy industry, the IGS family of companies provides natural gas, electricity, solar, LED lighting solutions and alternative fueling options to over one million customers across the country. As the preferred energy partner to the MADA, IGS is focused on helping members make the best energy decisions for their business.



REMINDER: your current dealer plates remain active through Feb. 29, 2020.
The SOS will have new plates mailed via UPS in late February.



Question: What's the deal with the Michigan REAL ID. Do I need one?

Answer: Under the federal REAL ID Act, Michigan residents will need to present a REAL ID-compliant document to fly within the United States and enter certain federal facilities under federal law beginning Oct. 1, 2020.

Michigan offers standard and enhanced state ID cards that are REAL ID compliant. (See chart.) **If you have an enhanced state ID card, you already have a REAL ID-compliant card.** Enhanced state IDs that *do not have a star* will be printed with a star when renewed or replaced. Other compliant documents include valid U.S. passports.

The Secretary of State's office offers extensive details about the upcoming change, including who will need a REAL ID, how to obtain one, plus many other frequently asked questions. Please [click here](#) for complete details.

We encourage dealers to pass this information along to staff to help get the word out about this important change. The SOS also offers [this informational handout](#) for Michigan residents. Dealers are encouraged to post copies at their dealership, or give to a customer whose license is not REAL ID compliant.

Are you ready for REAL ID?	Beginning Oct. 1, 2020		
	Standard license and ID without a star	Standard license and ID with a star	Enhanced license and ID with or without a star
• Fly in the U.S.		✓	✓
• Re-enter the U.S. by land or sea from Canada, Mexico, Bermuda or the Caribbean			✓
• Enter federal facilities, nuclear power plants & U.S. military bases		✓	✓
• Use it as identification	✓	✓	✓
• Cash a check	✓	✓	✓
• Purchase alcohol, tobacco, age-related products	✓	✓	✓
• Rent a vehicle	✓	✓	✓

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.

MADA is Turning 100 in 2021! (and we need your help)

The Michigan Automotive Trade Association was established in Detroit in 1921, with Guy Garber serving as the association's first president. The organization was renamed the Michigan Automobile Dealers Association in 1937 and moved from Detroit to Lansing to be closer to the state legislature and more centrally located for all Michigan dealers.

Throughout its years, the association has expanded and evolved to serve the changing business needs of Michigan's new car and truck dealers. It has been an honor and a pleasure to work with so many amazing dealers and learn about your business.

MADA would like to create a historical memory, celebrating our association's first 100 years. **We ask dealers to submit pictures (with dates and details) and memories from across the state to help us celebrate the many dealers, leaders and events that helped shape our association.**

The more information, the better! Have a great memory from a past convention, or stories about your family's early years in the industry? We want to hear it. Have photos of your grandparent standing in front of the dealership? A group photo from an industry meeting? We want to see them. We are especially interested in photos and stories about some of our original leaders and dealerships in business around 1921.

There are many dealers and friends, current and past, who would truly enjoy reliving memories from our association's long and proud history. Please send your information and help us create something special.

Digital images or scanned photographs, information and memories can be emailed to news@michiganada.org from now through June 1, 2020.

Monday's Email RE: Your Finance License Volume of Activity Report

Note: the email from DIFS relates to your installment seller (finance) license - NOT your SOS issued dealer license.

The Department of Insurance and Financial Services (DIFS) sent a notice on Monday to the email address on file for each dealership. The email notified licensees that they would be required to report the 2019 annual volume of activity report by April 1, 2020, through the DIFS web portal. (Separate from the SOS / CARS web portal.)

This is the same procedure all dealers followed last year - except the volume of activity reporting dates and submission deadline have changed.

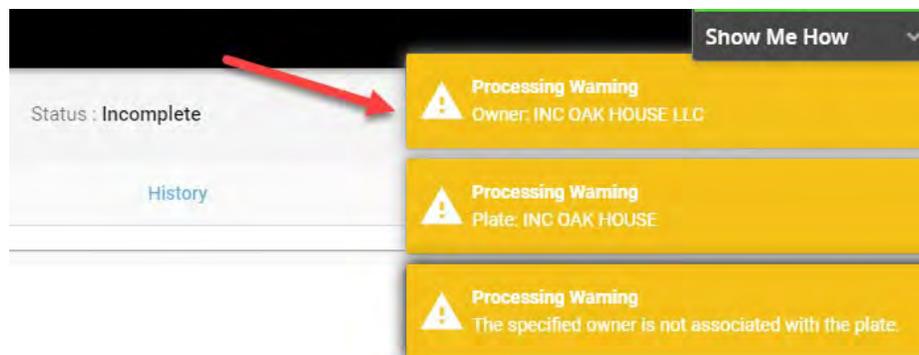
- The **submission deadline** of April 1 is earlier in the year so reports can be processed prior to the license renewal cycle. Previously the volume of activity was reported along with the finance renewal paperwork.
- The **volume of activity dates** have also changed and will be based on a January through December calendar.
- This report must be submitted through your DIFS web portal (just like last year).

Watch your email mid-February for information from DIFS on how to access the DIFS web portal to complete the annual activity requirement.

If you have any questions please contact Jean Quinn at jquinn@michiganada.org or (800) 292-1913.

Reminder to Pay Attention to Warning Screens

This is a sample screen shot of a CVR error message...



Users will get this message if an incorrect plate number is entered when transferring a plate. CVR and the SOS have found some users are simply ignoring the message and processing the transaction with the incorrect plate number. This is causing major problems for the customer purchasing the vehicle -- and the person who actually owns that incorrectly entered plate. Please remember to review all error messages

then confirm and correct any information required.

News from NADA: Dealerships Must Use New Employment Eligibility Verification Form I-9



U.S. Citizenship and
Immigration Services

Effective January 31, 2020, employers verifying the identity of new hires or re-verifying the employment authorization of existing employees should use the [October 21, 2019, version of the Employment Eligibility Verification \(I-9\) Form](#) issued by the Department of Homeland Security's United States Customs and Immigration Service (USCIS).

The revised Form I-9 and related instructions address and provide clarification on:

- Countries with recent name changes
- Representatives authorized to act on behalf of employers
- USCIS website addresses
- Acceptable employment eligibility support documents
- The process for accessing and using a paper USCIS Form I-9
- The DHS Privacy Notice

Dealerships must keep completed I-9s on file for potential inspection by federal agency and law enforcement authorities. The prior version of USCIS Form I-9 (Rev. 07/17/2017 N) may be used until April 30, 2020, after which only the new (Rev. 10/21/19) version may be used. Note that the version date is found in the lower left corner of the form.

For more on a dealership's employment eligibility verification responsibilities, see [NADA's Dealer Guide to Employment Eligibility Verification](#) and the [USCIS I-9 Homepage](#).

Blog Posts You May Find Interesting



ATD Industry Roundtable to Address Federal Policy...

Each year at ATD Show, NADA/ATD and other industry experts come together to present an update on the most important topics affecting commercial truck dealers at the time. This year is no exception as our legal experts dive into...

[Read more](#)
blog.nada.org



Resources to Help Drivers Navigate Auto Insurance Reforms

DIFS has developed educational resources to help Michigan drivers navigate the state's new auto insurance law. DIFS has launched a new website, www.michigan.gov/autoinsurance, created consumer guides, and now...

[Read more](#)
www.michigan.gov

Dates to Remember

Licensing & Regulatory

Current dealer plates remain active through the end of Feb. 29 2020.

DIFS to email **volume of activity** info to dealerships mid-Feb.

Upcoming Events

Wage & Hour Compliance Workshop

- *Feb 26 at MADA in East Lansing
- *Presented by Colombo & Colombo, P.C.
- *Morning session is FULL
- *Afternoon session added - [see details](#)

Feb 14-17: [NADA Show](#)

*Advance registration **ends Feb 7**

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers weekly updates on Michigan legislative news.

- Whitmer Argues That D.C. Republicans Are All Talk; Dems Are Action
- Is It Time To End Vehicle Tabs To Shorten SOS Lines?
- Gov Doesn't Say She Would Turn Down Presidential Nominee's VP Request
- Michigan A Top 10 State For Corporate Expansion; Not K-12 Performance

Associate Member Highlight

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DEALERS RESOURCES, INC. →

Dealers Resources Inc. is an independent agency focused on the unique needs of Michigan's automotive dealers. Our 18 field employees across the state specialize in process development, training, and management support - including the "Digital DRI Process". DRI provides a wide range of superior F&I products and various reinsurance structures focused around the needs of the individual dealer.

John Jameson
jjameson@dealersresources.com
(248) 344-4800



Federated Insurance provides personal service, industry-specific coverages customized for your business, and access to outstanding risk management programs and services.

Nate Hoyle
nthoyle@fedins.com
(989) 560-2818

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Due to demand an afternoon session has been added Wage & Hour Compliance Workshop



Wednesday, February 26 at the MADA Office in East Lansing

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Brief Background. On September 24, 2019 the U.S. Department of Labor (DOL) announced a final rule that would change the minimum salary that white-collar employees must be paid to qualify as exempt from the overtime requirements under the Fair Labor Standards Act (FLSA). The rule took effect January 1, 2020 and raised the minimum salary level for exempt employees from \$455 per week (\$23,660 annually) to \$684 per week (\$35,568 annually).

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 - Executive, administrative, professional
- Misconceptions involving overtime pay
- Considerations for bonuses and commission
- Guidance on adjusting employee pay and proper classifications of employees
- Steps to ensure your dealership is complying with the law

Please view this [registration form](#) for additional details. At this time the morning session is completely full. Registration is first-come, first-served. Please contact MADA at news@michiganada.org if you have questions.

2020 MADA Board Meeting Dates



The MADA Executive Committee has set the dates for 2020 board meetings. Please add the following to your calendar. All dealers are welcome to attend the meetings; it is not necessary to be on the board.

- Thursday, March 19 - Board Meeting (East Lansing)
- Monday, Jun. 1 - MADPAC golf outing (Eagle Eye)
- Friday, Sept. 25 - Board meeting (Northwood University)
- Wednesday, Dec. 2 - Annual Meeting (East Lansing)

How Does Your Dealership Compare?



In 2018, the new car dealer workforce experienced a 2.9% increase in median weekly earnings across all participating dealerships.



The 2018 median workforce tenure increased again for the fourth consecutive time to 2.7 years.



Millennials made up 48% of all new hires at new car dealerships in 2018.



The national average compensation for technicians at commercial truck dealers increased 8% from 2017 to 2018.

All of this valuable data is available as a result of the annual **NADA Dealership Workforce Study** and it is only with your participation that this study is possible. If you are interested in knowing how your car or truck dealership compares to others in terms of compensation, turnover retention and benefits then please enroll now to participate.

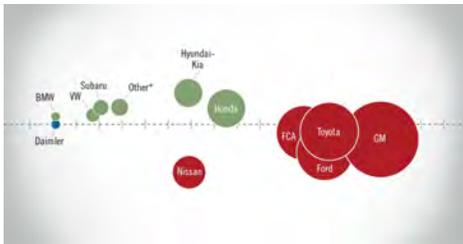
Participation is free with your NADA Membership and there is still time to enroll and complete the necessary components for full participation; a questionnaire and your payroll data (no personal data or identifiable data is shared).

For your participation you will receive:

- Complimentary custom report comparing your dealership against aggregated data from your peers across the nation and region, right down to dealerships selling your brand in your state.
- Complimentary Trends Report with analysis of workforce data across the nation and by region.
- Complimentary access to DWS Database and Search Tool.

The 2020 Dealership Workforce Study will close promptly on April 15, 2020. For any questions or issues enrolling contact workforcestudy@nada.org or 800.557.6232

Blog Posts You May Find Interesting



NADA Market Beat: Light Trucks Represent 75% of...

New light-vehicle sales in January were close to flat compared to this time last year. January's SAAR of 16.84 million units represents an increase of 0.8%. However, raw sales numbers of 1.130 million units represent a slight decline of 0.2%.

[Read more](http://blog.nada.org)
blog.nada.org



Dealers Talked - Alex Listened | Fuel

1) There is a shift from new to used vehicles due to rising new vehicles prices. Less consumers are able to rationalize purchasing a new vehicle. This is a problem many of us are aware of with many possible solutions. With increased interest in...

[Read more](http://fuel.reyrey.com)
fuel.reyrey.com

Dates to Remember

Licensing & Regulatory

Feb. 17: SOS branches closed in observance of Presidents Day.

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DIFS will email **volume of activity** info to dealerships mid-Feb.

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MADA welcomes Armatus Dealer Uplift as our newest associate member!

With over 6,000 approved submissions with 28 manufacturers in 49 states, Armatus Dealer Uplift is the industry leader specializing in Retail Warranty Reimbursement submissions. Armatus' proprietary software and data management techniques offer clients the only true mark-up and labor rate optimization process in the market. The Armatus team has extensive retail automotive experience, superior knowledge of manufacturer protocols, and has provided the framework for 10 retail warranty reimbursement statutes.



For more information about Armatus, visit the company website at www.dealeruplift.com, or contact Joseph Jankowski at (888) 477-2228 or email joej@dealeruplift.com.

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120

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Check Your Inbox for Volume of Activity Reporting Requirements

On Friday, February 14, the Department of Insurance and Financial Services (DIFS) emailed volume of activity information to the email address on file for each dealership. **If you did not receive the email** please contact either DIFS or MADA.

- Email DIFS at DIFS-CFAnnualReports@michigan.gov
- OR email jquinn@michiganada.org

If you have other questions about this reporting requirement please contact Jean Quinn at (800) 292-1923 or email jquinn@michiganada.org.



What to know about your new DEALER plates...

When to expect your plates

*** The State of Michigan began shipping new plates today, February 21st (via UPS).**

- * Those who have an email address on file with the SOS should receive an email from UPS Quantum View with tracking information.
- * Dealer plates marked "FEB 20" will remain active through February 29, 2020.
- * If you do not receive new plates by February 26, 2020 contact MADA at (800) 292-1923.
- * Please confirm that the information on the label is what you actually received.

Proper dealer plate usage

The State of Michigan offers the following reminders:

* Create a list of current dealer plates, printed on dealership letterhead. Also include the dealer license number. Keep a copy of this list in vehicles leaving the lot with a dealer plate.

* For law enforcement purposes, any time a vehicle leaves a dealer's lot on a dealer plate, the following should be in the vehicle: ownership document (MSO / copy of signed title), proof of insurance and written authorization to drive the vehicle.

* Know where dealer plates are being used throughout the

Disposing of expired plates

The Secretary of State's office reminds dealers that the preferred method for disposing of expired plates is to cut the plates in half before discarding. This minimizes the chance of stolen plates (which does occasionally happen).

In addition, as dealerships are

dealership and periodically audit dealer plates to ensure none have been lost or stolen. **This will be especially important now that dealer plates are permanent and renewed with tabs in future years.**

* Prevent unlicensed drivers or drivers with an expired license from using your dealer plates.

* Collect and properly dispose of your expired dealer plates.

Please also review this [DADA/MADA advisory](#) for reminders about dealer plate usage. Additional information about proper and improper use of dealer plates is available on the SOS website, [here](#). If you have any questions please [email Jean Quinn](#) or call (800) 292-1923 ext. 320.

gathering their recently expired dealer plates for disposal, it is important to make note of any plates that may be missing from your allotment and report it to the Michigan Department of State Licensing Unit. If not reported and the plates are later found to be misused or a vehicle is ticketed with a missing plate, the dealership may be held responsible.

[Information to report missing plates](#)

Reminder: New Overtime Rules in Effect

Effective January 1, 2020, new U.S. DOL rules went into place that increased the minimum annual salary for "white collar" exemptions from overtime compensation. Following is a brief overview of the recent changes:

- The new minimum annual salary to be exempt from overtime compensation is \$35,568 or \$684 per week. (Was \$23,660 annual / \$455 per week.)
- To be exempt from overtime, an employee must earn at least the minimum annual salary **AND** be classified (by DOL standards) as an Executive, Administrative or Professional.
- The minimum annual compensation for a "Highly Compensated Employee" increases to \$107,432 per year (from \$100,000 per year).
- Employers may count up to 10% of certain non-discretionary bonuses and commissions toward the minimum salary levels.



There were **no changes** to the overtime exemptions for commissioned salespersons, technicians, service writers, service advisors, or parts counter-persons whose job duties and pay plans meet the requirements for exemption.

If you have further questions, please register for the [Wage & Hour Workshop](#) held in East Lansing on February 26 (*only 5 open seats*), or call MADA at (800) 292-1923.

Citizens Research Council of Michigan:

General Fund Woes at the Forefront of Michigan's 2021 Executive Budget

- Governor Whitmer's Fiscal Year 2021 budget proposal offers few major changes compared to last year's, which had multiple hundred-million dollar proposals.
- Natural growth in the cost drivers for General Fund programs have outpaced revenue growth, leading to a structural imbalance.
- Future budgets will have to bring the General Fund back into balance, requiring either new revenue sources or spending cuts.
- On February 6, Governor Whitmer unveiled her Fiscal Year (FY)2021 Executive Budget – the governor's proposal for how the state should spend state resources, her opening gambit in negotiations with the legislature for the next fiscal year.

Last year, Governor Whitmer proposed a number of major tax and spending changes. These included a proposed 45-cent gas tax increase, changes to how retirement and S-corporation income is taxed, and an increase in the state's earned income tax credit, along with increased spending for K-12 education and road and bridge repair and construction. Very few of the governor's proposals were included in the final budget.



This year, the budget blueprint includes new education, health, and environment programs. Yet, compared to last year's, these proposals are relatively small. They include increasing the per-pupil foundation allowance by a minimum of \$150, additional funding for the Healthy Moms, Healthy Babies program, dollars to incorporate social determinants of health into state public health strategies, and lead poisoning prevention. The majority have price tags below \$100 million. There are no major tax/revenue changes proposed.

While there are few large new programs to focus on, the administration's decisions related to General Fund spending are based on the most recent Consensus Revenue Estimating Conference that incorporates a number of General Fund commitments agreed to in prior years...

Keep reading >> <https://crcmich.org/insights>

The Citizens Research Council of Michigan is a privately funded, not-for-profit public affairs research organization whose objective is to provide factual, unbiased, independent information on significant issues concerning state and local government organization and finance.

Articles You May Find Interesting



Cox Automotive Industry Update Report: Feb 2020...

The February 2020 Cox Automotive Industry Update Report shares Cox Automotive's multifaceted insight into the automotive marketplace to provide an overview of economic indicators, supply, demand, credit and other vital topics and trends affecting ...

[Read more](#)
www.coxautoinc.com



Inclusion, Inspiration and GM's Mary Barra: A Recap...

We promised we'd save the best for last and we did. NADA Show 2020 went out with a bang with a full day of education, networking, maker meetings and one-of-a-kind event programming including an exciting afternoon General Session featuring General ...

[Read more](#)
blog.nada.org

Dates to Remember

Licensing & Regulatory

Dealer plates begin shipping via UPS Feb, 21.

All dealers should have received a **volume of activity** email from DIFS. Submission deadline is April 1.

Upcoming Events

Feb. 26: [Wage & Hour Compliance Workshop](#)

*MADA office in East Lansing

*Presented by Colombo & Colombo, P.C.

*Afternoon session added (**5 seats remaining**)

Mar. 19: MADA board meeting, East Lansing

*email dkorn@michiganada.org to register

Jun. 1: MADPAC Golf Outing at Eagle Eye

Ongoing: [Webinars & training opportunities](#)

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Counties, Cities Get More Road Money Under Bills
- MPSC Suggests 'Substantial Changes' To DTE's Long-Term Energy Plan
- 3 Rust Belt States; 3 Different Poll Results
- Study: Pure Michigan Earned \$8.79 Return For \$1 Spent On It

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Federated Insurance provides personal service, industry-specific coverages customized for your business, and access to outstanding risk management programs and services.

Nate Hoyle
nthoyle@fedins.com
(989) 560-2818



Providing a full range of commercial banking services.

Scott Stran
scott.stran@baml.com
(734) 437-5937

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120
Email news@michiganada.org | Website www.michiganada.org

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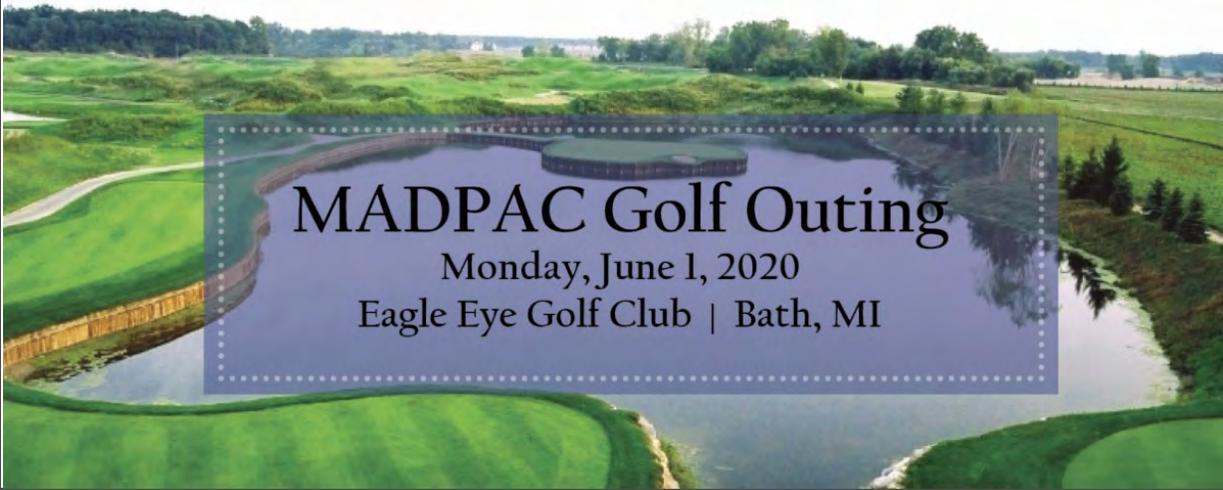
Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Save the Date



MADPAC Golf Outing

Monday, June 1, 2020

Eagle Eye Golf Club | Bath, MI



frequently
asked

Question: What are Michigan's requirements for disclosing damage to a new vehicle?

Answer: Dealers must disclose damage to the consumer if the amount exceeds 5 percent of the MSRP or \$750 for surface coating repairs, corrosion restoration or a combination of the two. The disclosure must be made before the consumer signs the RD-108.

From the Michigan Dealer Manual, [Chapter 3](#), Section 3-7.2 Disclosure Requirements – New Vehicle Damage

Written disclosure of damage and repairs are required when a new vehicle dealer is selling a new, demonstrator, executive or manufacturer, or program vehicle has been damaged and repaired, and meets the following criteria:

- a) The dealer has knowledge of the damage and repairs to the new vehicle; and,
- b) The cost of the cumulative repairs – calculated at the rate of the dealer's authorized warranty rate for labor and parts – exceeds either of the following threshold criteria:
 1. Five percent (5%) of the manufacturer's suggested retail price (MSRP) of the vehicle; or,
 2. Seven hundred fifty dollars (\$750) in surface-coating repairs or corrosion protection restoration, or a combination of these items.

Note: The disclosure must include an itemization of the repairs performed. A disclosure statement is not required for any damage or repair of glass, tires, wheels, bumpers, audio equipment, in-dash components or components contained in the living quarters of a motor home. Disclosure of material facts is always necessary, regardless of the cost or extent of repairs.

Secretary of State Request for Help Regarding REAL ID

As part of an ongoing effort to alert the public about the upcoming deadline for REAL ID, Michigan Secretary of State Jocelyn Benson is requesting your assistance. As you know, this federally mandated requirement for identification means standard state-issued driver's licenses and identification cards will no longer be accepted for boarding domestic flights within the United States, or when entering certain federal facilities, beginning Oct. 1. **Currently, just 47 percent of Michigan driver's licenses and state ID cards are REAL-ID compliant** which means raising public awareness is a high priority.

Here's how dealerships can help...

The Secretary of State is hoping you can assist in spreading the word about REAL ID both internally with your own staff and externally through your organization's communication channels. To make things simple, the state has updated its online toolkit that can be easily accessed through the following links:



Text that can be shared on websites, via email or in newsletters ([short message](#))

Various images to share on social

- [Deadline for REAL ID](#) (image)
- [Are you ready for REAL ID?](#) (image)
- [Make an appointment to get a REAL ID](#) (image)
- [Documents you'll need to bring to the SOS for REAL ID](#) (image)

A flyer that can be posted ([full color](#) or [black/white](#)).

Images that can accompany any communication you share ([circular image](#), [rectangular image](#), [REAL ID driver's license image](#)).

As a business that frequently sees consumer driver's licenses during the regular course of business, Secretary of State Benson appreciates any assistance you can provide with raising public awareness.

Coronavirus Outbreak: What You Need to Know

Blue Cross Blue Shield of Michigan wrote a blog post last month with known information about Coronavirus and precautions to take to avoid the spread of the virus.

BCBS has been updating the article as needed with new information learned and the latest statistics from the World Health Organization and the U.S. Centers for Disease Control and Prevention.

In the U.S., the first case was confirmed in a Washington state resident Tuesday, Jan. 21. As of Feb. 26 there are [59 confirmed cases](#) in the U.S. - including three people repatriated to the U.S. from Wuhan, China, and 42 people repatriated to the U.S. from the Diamond Princess cruise ship. To date (Feb. 26) there are [no confirmed cases of the coronavirus in Michigan](#).

Outside of China, [2,918 coronavirus cases](#) and 43 deaths from the coronavirus have been confirmed in 37 countries. Of the 2,918 cases, 691 of them are passengers on the Diamond Princess cruise ship, which is currently docked for quarantine in Japan.

Cases of the virus continue to be reported as the outbreak spreads beyond China. The CDC has implemented screening measures at 20 U.S. airports, which include Detroit Metropolitan Airport as of Jan. 29.

This is a rapidly developing situation and information is constantly changing and being updated as officials learn more about the virus.

For additional information about Coronavirus and further updates please visit the BCBS article [here](#).

If you have not received your new dealer plates, or if you received the incorrect number of plates, please contact MADA at (800) 292-1923

Reminders for Proper Dealer Plate Usage

Last week's notice about proper usage of dealer plates had a bullet point that caused some confusion. Please review the following for reminders about proper usage of your new dealer plate allotment.

- For law enforcement purposes, any time a vehicle leaves a dealer's lot on a dealer plate, the following should be in the vehicle: ownership document, proof of insurance and written authorization to drive the vehicle. (See the advisory linked below for a sample authorization form.)

- Your CARS e-Services web portal lists all your dealer plates. Know where dealer plates are being used throughout the dealership and periodically audit dealer plates to ensure none have been lost or stolen. This will be especially important now that dealer plates are permanent and renewed with tabs in future years.
- Prevent drivers with an expired license or those in registration denial from using your dealer plates.
- Collect and properly dispose of your expired dealer plates.

Please also review this [DADA/MADA advisory](#) for reminders about dealer plate usage. Additional information about proper and improper use of dealer plates is available on the SOS website, [here](#). If you have any questions please email Jean Quinn or call (800) 292-1923 ext. 320.



News from NADA: DOD Grants NADA Petition on MLA

NADA announced yesterday that the U.S. Department of Defense (DOD) has granted the joint petition filed in 2018 by the National Automobile Dealers Association (NADA) and the American Financial Services Association (AFSA) seeking withdrawal of a problematic Military Lending Act (MLA) interpretation.

The DOD's interpretation effectively prevented auto dealers from making Guaranteed Asset Protection (GAP) Waiver coverage available to service members. As a result, service members were unnecessarily exposed to significant liability by effectively eliminating their ability to adequately protect themselves from incurring financial losses in the event of the total loss of a vehicle.

DOD's action this week restores fundamental fairness by eliminating an interpretation that effectively prevented service members from having the same opportunity as civilians to protect themselves financially. This is a tremendously positive development for military service members and their families.

NADA and many others worked tirelessly on this effort, including directors, dealer associations, and members of NADA's Regulatory, Legislative and Public Affairs staffs. MADA thanks everyone involved for their time and effort on this issue.

More information from NADA is available [here](#).

Online Training: When MIOSHA Enforcement Visits

Various divisions within the State of Michigan offer continuing education courses to help business owners and staff understand the state's business expectations, and stay in compliance with the rules. Dealers interested in learning about MIOSHA compliance visits may want to check out the upcoming *When MIOSHA Enforcement Visits* program.

What you will learn...

Attendees will gain an insight of the process and procedures a MIOSHA compliance officer follows while conducting a workplace inspection and how to respond to MIOSHA citations. Topics covered include inspection types, employer/employee rights and responsibilities, and penalty reduction factors. This program will assist attendees in preparing for an inspection. Attendees will be provided with interactive exercises to reinforce the principles discussed in the course.

Objectives...

By completing the modules in this course, you will gain insight on the process and procedures a MIOSHA compliance officer follows while conducting a workplace inspection and be familiar with how to respond to MIOSHA Citations.

- Module 1: Who Is MIOSHA?
- Module 2: Inspection Process
- Module 3: Closing Conference
- Module 4: Penalties
- Module 5: Prepare for a MIOSHA Inspection



For more information or to learn how to register please see this link:

https://www.michigan.gov/leo/0,5863,7-336-78421_11407_30453-477663--,00.html

Articles You May Find Interesting



Secretary of State teaming up with Meijer to offer...

SOS Benson has announced that 28 easy-to-use self-service stations have been placed in Meijer stores across Michigan to allow customers to renew their vehicle plate and registration in minutes...

[Read more](#)
www.michigan.gov



The top 10 fraud risk factors inherent in dealerships...

There are a variety of fraud risk factors inherent in auto dealerships; it's just the nature of the beast. But that doesn't mean there aren't ways to control for them. The best defense? A good offense. Knowing what risks are out there better...

[Read more](#)
www.plantemoran.com

Dates to Remember

Licensing & Regulatory

Dealer plates: please contact [Jean](#) if you have not received your new dealer plates.

Apr. 1: DIFS **volume of activity** report is due

Upcoming Events

Mar. 19: MADA board meeting, East Lansing
*email dkorn@michiganada.org to register

Jun. 1: MADPAC Golf Outing at Eagle Eye

Ongoing: [Webinars & training opportunities](#)

Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- In Fighting Coronavirus State Can Only Screen, Educate And Communicate
- Farrington's Transit Bill Sent Express To The House Floor
- Gay-Dagnogo Asks Trump To Commute Kilpatrick's Sentence
- Rabhi, Robinson Endorse Sanders; Warren Team Mobilizing

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



The Ralph C. Wilson Agency provides a comprehensive package of risk management solutions, healthcare coverage, employee benefits and wealth management to Auto Dealers addressing all of their financial and insurance needs.

Maury Feuerman
mfeuerman@comcast.net
(248) 223-8450

KeyBank provides deposit, lending, cash management and investment services to individuals and small and midsize businesses. Key also provides a broad range of sophisticated corporate and investment banking products, such as merger and acquisition advice, public and private debt and equity, syndications and derivatives to middle market companies in selected industries throughout the United States.

Dan Ranger
Dan_Ranger@keybank.com
(248) 660-6122

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.



Fast Facts Sponsor

With many customers choosing to use credit or debit cards at your dealership, lowering your bankcard transaction charges is an easy way to gain profits. **Many dealers who have made the switch to MADA's program have experienced a savings of \$500-\$10,000 per year, based on volume!** Contact MADA's Debbie Stapleton-Korn at (800) 292-1923 to learn more and receive a complimentary comparison to your current program.

MADA's Bankcard Advantage Program is backed by Michigan Retailers Service, Inc., one of the most established non-bank processors in the U.S.



Question: How do I prepare for a possible Secretary of State inspection?

Answer: The best way to be prepared is to know the rules and regulations so your dealership can maintain compliance. All dealers should of course be familiar with the dealer and repair facility manuals (it's your job to know what's in them). The state has also created **two helpful checklists** you should review.

Many dealers appreciated the Michigan Department of State's A/B dealer checklist, which was developed last fall. The Business Regulation Section has now developed a new checklist for repair facilities. The checklists were designed to assist dealerships and repair facilities maintain compliance with the Michigan Vehicle Code and the Motor Vehicle Service and Repair Act. They were created by analyzing the most commonly issued violations and should be used *in conjunction with* the [Dealer Manual](#) and the [Repair Facility Manual](#).

Compliance checklists:

- [A/B Dealer Checklist](#)
- [Repair Facility Checklist \(NEW!\)](#)

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.



SOS Wants Your Input on the Next RD-108 Revision

With the recent implementation of CARS e-Services, the Michigan Department of State has found that the RD-108 could use a few minor revisions. There may also be minor changes to the information entered into the form. Updates to the RD-108 are of course rarely done, so the state would like to get input from dealerships and potentially incorporate some valuable dealer suggestions.

Here's how you can help...

Request #1. Provide suggestions for the RD-108 that may:

- help avoid confusion when completing the form
- improve layout
- eliminate duplication
- or anything else you can think of!

MADA will create a list and forward the suggestions along to the state. We will only provide the state with the ideas - not the names or dealerships of those who offered the feedback.

Request #2. Let us know what DMS provider you use. (So we can make sure your provider has the needed information about the update.)

Please send your feedback to MADA's Debbie Stapleton-Korn

- email dkorn@michiganada.org
- or call (800) 292-1923

Join us for the MADPAC Golf Outing

Monday, June 1, 2020
Eagle Eye Golf Club | Bath, MI
Plan your foursome today!

Registration Information Coming Soon!

Tuning Up the “Dealership of Tomorrow” Insights

Glenn Mercer undertook another thorough analysis of the automotive industry, giving dealers a valuable look at changes - and the future of the industry. Many MADA members had the opportunity to hear a preview of his findings when he joined us for the Annual Meeting in December. His full report, “The Dealership of Tomorrow 2.0: America’s Car Dealers Prepare for Change,” was shared with dealers at the NADA Show in Las Vegas and is now available for dealers to download.



One of the key differentiators of Mercer’s updated report is a broader distinguishing of those challenges that will arise from “outside the store” versus those that will arise from “inside the store” - along with a detailed analysis of each category and how they potentially relate to one another.

At the time of the 2016 report, “there had been worry that outside threats (e.g. EVs, AVs) would overwhelm the industry - while current operations stayed strong,” Mercer writes in 2020. “Now that the hype around these outside issues has cooled, they’re seen as less worrisome - but conversely, we are more concerned about inside issues, such as erosion of near- term financial performance, and the impact of an (eventual recession).”

“The steady recovery in sales since The Great Recession seems to have plateaued, if at a very satisfactory level, thus necessitating this shift in focus,” Mercer continues. “It is clear that we are moving from a Recession Recovery era (in which rising sales lifted all boats) to the Age of the Operator, where better- managed stores are likely to open a clear lead.”

As with the original Dealership of Tomorrow report, Mercer goes into great detail and examines a number of factors that inform his conclusions, including:

- How will the dealer’s customer base evolve in terms of demographics, purchasing power and expectations for auto retail?
- How will online sales evolve?
- Who will own dealerships, and which types of owners are likely to succeed into the future?
- How can dealers continue to grow service and F&I revenue?

Read the complete [article from NADA](#), which includes a link to Mr. Mercer's full report.

Act Now: Complete the 2020 Dealership Workforce Study on Behalf of Your Dealership

NATIONAL AUTOMOBILE DEALERS ASSOCIATION

Dealership Workforce Study is Open!

Conducted annually since 2012, the NADA Dealership Workforce Study is the only authoritative and comprehensive assessment of car and truck dealership compensation, benefits, turnover, retention, hours of operation and work satisfaction.

WHY PARTICIPATE?

- There is no fee to participate.
- A comprehensive custom report (downloadable, searchable, printable) that provides Dealership Workforce Study participants with the most up-to-date information on the state, the region, the nation and the world.
- A comprehensive Trade Report (downloadable, searchable, printable) that provides Dealership Workforce Study participants with the most up-to-date information on the state, the region, the nation and the world.
- Complete access to the NADA Workforce Study Database Search Tool.

HOW TO PARTICIPATE

NADA and ADE members participate by completing a confidential questionnaire and submitting payroll data.

DATA HIGHLIGHT

Dealership Workforce Study participants' average monthly sales of vehicles increased from 2019 to 2020:

1.3% INCREASED MONTHLY SALES	2.9% INCREASED MONTHLY SALES
---------------------------------	---------------------------------

ENROLL NOW AT

www.nadadealershipworkforcestudy.com
to participate in the 2020 NADA Dealership Workforce Study!

For questions contact Joe Fleming at 733.448.2891 or workforcestudy@nada.org



NADA's [Dealership Workforce Study](#) is the leading report in benchmarking compensation, benefits and employment retention in the automotive retail industry. Dealer participation is key to providing key insights for dealerships across the country. Don't forget to complete the survey by Wednesday, April 15.

For participating, dealers will receive two complimentary reports and access to the Database Search Tool featuring data submitted from past workforce studies.

To participate in the 2020 Dealer Workforce Study, [click here](#). Questions can be directed to workforcestudy@nada.org.

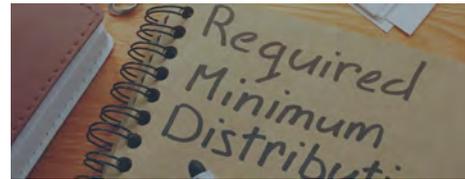
Articles You May Find Interesting



Check for Recalls

NHTSA kicked-off its first Vehicle Safety Recalls Week on March 2. The focus: heightened awareness of the importance of checking for recalls twice a year and getting a recall repaired. Vehicle Safety Recalls Week...

[Read more](#)
www.nhtsa.gov



The SECURE Act: Key Changes for Individuals

While many features of the SECURE Act are targeted at helping Americans save for retirement at work, several provisions directly affect individuals' retirement savings beginning in 2020. Steve Morton, financial advisor, says the legislation...

[Read more](#)
captrust.com

Dates to Remember

Licensing & Regulatory

Apr. 1: DIFS **volume of activity** report is due

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Mar. 19: MADA board meeting, East Lansing
*email dkorn@michiganada.org to register

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Ongoing: [Webinars & training opportunities](#)

Auto Dealers of Michigan, LLC ~ Capitol Corner

The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Whitmer Endorses Biden For President
- Buy-Back Ban Shoots Through House At High Velocity
- Whitmer: Burton To MEDC, DTMB Director Becomes Chief Operating Officer



- R's Unveil Plan To Put All Taxes Paid At The Pump To Roads
- Levin, Granholm Endorse Biden, Who's Planning Monday Visit

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



For more than 60 years, Fenner, Melstrom & Dooling, PLC has provided strategic business consulting, tax, and audit services to privately-held companies and business owners seeking to maximize profits and minimize tax liabilities. Fenner, Melstrom & Dooling, PLC takes pride in providing proactive services to its clients which include personal attention and involvement with our engagement team resulting in consistent, quality service.

Dan Patterson
dpatterson@fmdcpas.com
(248) 258-8900 x 1050



Providing integrated technology solutions, making it easy for dealers to achieve measurable results and drive additional profit in every area of operations. Integrated products and solutions provide accurate, real-time information to make faster, better decisions for your dealership.

Luke Shoemaker
Luke.Shoemaker@cdk.com
(989) 992-8440

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120
Email news@michiganada.org | Website www.michiganada.org

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Michigan Automobile Dealers Association's

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MADA's Bankcard Advantage Program is backed by Michigan Retailers Service, Inc., one of the most established non-bank processors in the U.S.

Question: Is verbal authorization acceptable when obtaining the customer's approval for more repairs?

Answer: Yes. Verbal authorization is permitted under the law, provided the customer initially was given a written estimate or signed a waiver of estimate.



If verbal authorization is obtained, the facility should record the following on the final invoice:

- The name of the person providing the authorization;
- The time of day the authorization was obtained;
- The dollar amount authorized;
- The total amount of the repair bill discussed and agreed upon;
- Other information as needed.

Have follow-up questions? Or requests for future Fast Facts Q&As? Email news@michiganada.org.

Coronavirus Guidance and Resources

Information about Coronavirus is coming in from multiple sources, and continuously being updated. MADA has been in communication with various individuals from attorneys to state leadership, and other associations to make sure we have access to the most current information. We are working on a dealer advisory and will have more information to provide later. In the meantime, please review the following resources to help ensure your dealership is taking appropriate precautions and making proper plans.

From the State of Michigan

Following the announcement of the state's first presumptive positive cases of COVID-19, Gov. Gretchen Whitmer and the Michigan Department of Health and Human Services (MDHHS) are providing recommendations designed to help prevent the spread of the virus.

These recommendations apply at the individual, organizational, and community levels. They apply to businesses, workplaces, schools, community organizations, health care institutions, and individuals of all ages, backgrounds, and health profiles; everyone has an important role to play. Please take a moment to review the [Interim Recommendations to Mitigate the Spread of COVID-19](#) (March 11, 2020).

Information about this outbreak is changing rapidly. You can stay informed by regularly visiting Michigan.gov/Coronavirus and CDC.gov/Coronavirus.

Gov. Whitmer has also released [Executive Order 2020-5](#) to cancel all events over 250 people and all assemblages in shared spaces over 250 people beginning on Friday, March 13 at 5:00 pm and ending on Sunday, April 5 at 5:00 pm. The governor's executive order also closes all K-12 school buildings to students from Monday, March 16 until Sunday, April 5.

Under this executive order, all events and shared-space assemblages of more than 250 people are temporarily prohibited in the state. Certain assemblages are exempt from this prohibition, such as those for the purpose of: industrial or manufacturing work, mass transit, or the purchase of groceries or consumer goods.

*It should be mentioned that the order does **not** affect regular operations of large businesses that may happen to have 250-plus employees.*

*****NOTE: we will have a special notice later regarding temporary changes to SOS branch office procedures for dealers.*****

From the Federal Government

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) published "[Guidance on Preparing Workplaces for COVID-19](#)" to help companies respond in the event of coronavirus in the workplace. The guidance was developed in collaboration with the U.S. Department of Health & Human Services (HHS). The document provides practical guidance for preventing the spread of COVID-19, also known as novel coronavirus, and contains information on safe work practices and appropriate personal protective equipment based on the risk level of exposure. In addition to the guidance, OSHA recently launched a [COVID-19 webpage](#).

For further information about Coronavirus, please visit the HHS Centers for Disease Control and Prevention webpage on [COVID-19](#).

FAQs from a Labor Law Attorney

Fisher Phillips, a law firm specializing in labor law, has assembled a cross-disciplinary taskforce of attorneys across the country to address the many employment-related issues facing employers in the wake of the COVID-19 coronavirus – especially now that the World Health Organization has declared the outbreak as a pandemic.

In an effort to provide members with updated resources to help your dealership deal with the COVID 19 outbreak, MADA is in communication with Fisher Phillips so we may provide this HR specific information, as it relates to the virus and your day to day operations.

We encourage dealerships to [visit the Fisher Phillips website](#) for a comprehensive list of FAQs relating to Coronavirus in the workplace. The website will continue to be updated with important new information as needed.

We thank [Melanie Webber](#) with Fisher Phillips for working with us to get this important information out to dealerships.

Communication to Customers

Dealerships should consider crafting a communication to customers detailing that you have taken precautionary measures at the dealership to help ensure that your visitors and employees are being protected from the spread of germs and that you have initiated numerous protocols at the dealership beyond the normal steps you take during the flu season, such as:

- You have installed hand-sanitizing stations throughout the dealership to allow visitors and personnel to clean their hands more frequently;
- You have increased the frequency in which high-volume, high-touch areas, including paper towel dispensers, vanity tops, counters, and door handles, are cleaned;
- Your staff is required to engage in good hygiene by frequently washing their hands with soap and water for at least 20 seconds;
- You are staying current with local, state and federal guidance to make sure you have the latest updates and protocols;
- You have distributed critical information to key staff members and business partners to help prevent communicable illnesses throughout this dealership; and
- Your showroom offices and demo vehicles are disinfected and cleaned throughout the day - these measures include the use of disinfectant cleaning agents and increased frequency

You need to give your customers the confidence that their health and safety are a top priority at your dealership, and that now, more than ever, you are committed to maintaining a safe environment for everyone who walks through your doors.



Upcoming Webinars for NADA Members



Boost Car Sales Rate Using Conversational Marketing

Wednesday, March 18 | Noon-12:30pm ET

As many as 95% of automobile buyers use the internet to research and find their dream vehicle creating huge opportunities for car dealerships and brands to interact with prospective buyers.

However, generic marketing fails to elicit responses and actions from prospects. Conversational AI provides a novel solution to capitalizing on these huge opportunities.

Vivek Zaveri, Founder and CEO of Meera.ai, will focus on different use cases of conversational AI and how brands can use them to craft exquisite, unique, and personalized customer experiences.

He will shed light on the different areas and aspects of automobile business that could benefit from the use of conversational AI and the profitability that it will entail.



Solar: Your New Profit Center

Wednesday, April 1 | Noon-12:30pm ET

Installing solar has become a cost reduction strategy for entrepreneurial dealers and is growing in adoption among dealerships nationwide. In the time it takes you to enjoy a cup of coffee, discover how solar can save your dealership money today and well into the future, provide elastic savings that can combat SAAR fluctuations, and satisfy emerging EV charging needs.

Join long-time Domestic and Import Dealer Principal Ryan Ferrero, and SunPower solar expert Courtney Day, as they demystify solar. Review how Dealer Principals are turning their rooftops into income-generating assets and enjoying electricity as a variable expense, increased car sales, first mover advantages and a leg up on the competition.

Articles You May Find Interesting



Strategies to Manage Coronavirus Stress & Anxiety

Watching the outbreak of a new coronavirus unfold across the world has many on edge, as 24/7 news coverage has kept the illness at the forefront of conversations and thoughts for months now in the U.S. The new virus causes COVID-19, a respiratory ...

[Read more](#)

www.mibluesperspectives.com



Coronavirus and Crude Meddle with Markets

On Monday, March 9, the Standard & Poor's 500 fell 7 percent at market open, prompting a 15-minute market halt, as investors expressed their anxiety about the coronavirus's economic impact and reacted to an oil price war...

[Read more](#)

captrust.com

Dates to Remember

Licensing & Regulatory

Apr. 1: DIFS **volume of activity** report is due

Michigan.gov: [Coronavirus in the workplace](#)

Upcoming Events

Mar. 19: MADA board meeting, East Lansing
*email dkorn@michiganada.org to register

Jun. 1: MADPAC Golf Outing at Eagle Eye

Ongoing: [Webinars & training opportunities](#)

Join us for the MADPAC Golf Outing



Auto Dealers of Michigan, LLC ~ Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Gov Orders All K-12 School Buildings Closed For 3 Weeks, Starting Monday
- Capitol Restrictions Put In Place As Coronavirus Hits 12th MI Person
- Every State University Switches To Online Classes In Wake Of Coronavirus
- Nesbitt To Chair Advice And Consent

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



The Lake Agency, a division of the Lighthouse Group, is the program administrator for the Wheels Insurance Program. Since 1978 the Lake Agency has managed an exclusive garage insurance program. As a full service agency we provide for all your coverage needs including garage, open lot, health insurance, workers compensation, and



Transforming the way the world buys, sells and owns cars. With more than 40,000 auto dealer clients across five continents, we strive to understand your needs by pairing our insights and research with your business goals - delivering inspired results to bridge the gap between consumers, manufacturers, dealers and lenders at every stage of the automotive experience.

life insurance.

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Ernest Lattimer
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Michigan Automobile Dealers Association

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Email news@michiganada.org | Website www.michiganada.org

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

To help centralize important information of interest to Michigan dealerships, we created a "**Coronavirus Toolkit**" within the MADA website compiled of information that MADA/DADA has previously provided; State of Michigan and federal links; plus health, safety and legal guidance.

From the [home page](#), go to the *FAQ* tab and select *Coronavirus Toolkit* or [click here](#).

Thank You for Maintaining Communication With Your Association

News, resources and guidance related to the current national coronavirus outbreak is continuously changing, sometimes hourly. It is important that dealers stay updated, read your advisories and make sure you understand what is required of you as an employer. We also highly encourage you to learn about new resources available to your business and your employees.

We thank the many dealers and dealership staff who have contacted MADA with questions, asking for clarification, and providing real-world feedback on the effects of this current, challenging situation. Thank you for reading our (sometimes frequent!) updates and advisories. We appreciate your support and your comments that the advisories are helpful to you and your dealership.

This is a difficult time for many. Dealers are working hard to balance the needs of their businesses and employees, plus government and manufacturer requirements. There is a lot of information coming in and it can be challenging to organize and process it all.

State and federal actions and developments are very fluid at this time. The federal government is working on a significant economic stimulus package that may provide small business owners some relief. MADA and DADA will continue to monitor the updates and keep dealers informed. If you have any questions, you are welcome to reach out to your association.

NADA Webinar Recording Now Available

[Running a Dealership During a Pandemic: Legal Issues and Federal Mandates](#)
(NADA passcodes will be required to view)

MADA / DADA Advisories

Mar. 13: [Comprehensive & Updated FAQs For Employers on the COVID-19 Coronavirus](#)

Mar. 13: [SOS Branches Require Dealers to Drop Off Paperwork](#)

Mar. 16: [Gov. Expands Unemployment Benefits for Michigan Workers](#)

Mar. 17: [Clarification on Gov. Whitmer's Assemblages of 50 Order](#)

Mar. 18: [Coronavirus Recap, New Information & Centralized Toolkit](#)

New & Updated Resources From Fisher Phillips

Many dealers have found the Fisher Phillips guidance and resources incredibly helpful. We encourage all dealers to visit their website. Their attorneys are closely monitoring the federal environment and information for employers is regularly updated.

- [Fisher Phillips home page](#)
- [Comprehensive FAQs For Employers](#) (regularly updated)
- [Federal legal alerts](#)
- [Templates and forms](#)

News from NADA: DHS Guidance Includes Automotive Repair & Maintenance Facilities as Essential Critical Infrastructure

In response to a joint NADA/Alliance letter sent to President Donald J. Trump stressing the need to consider auto dealerships essential businesses, the U.S. Department of Homeland Security has issued guidance that includes automotive repair and maintenance facilities on the list of the nation's essential critical infrastructure workforce.

In the cover memo, DHS and the Cybersecurity and Infrastructure Security Agency (CISA) stress that "As state and local communities consider COVID-19-related restrictions, CISA is offering this list to assist prioritizing activities related to continuity of operations and incident response, including the appropriate movement of critical infrastructure workers within and between jurisdictions."

In the body of the guidance, DHS and CISA go on to say: "This guidance and accompanying list are intended to support State, Local, and industry partners in identifying the critical infrastructure sectors and the essential workers needed to maintain the services and functions Americans depend on daily and that need to be able to operate resiliently during the COVID-19 pandemic response."

The inclusion of automotive maintenance repair facilities can be found on p. 8 of the [Guidance on the Essential Critical Infrastructure Workforce](#).

Note: while this does not specifically address sales departments, discussions are ongoing as to the inclusion of that side of the business. We will keep you posted as we learn more.

Articles You May Find Interesting



Responding to Coronavirus: NADA Provides Updates on...

President Trump has signed into law a multibillion-dollar emergency aid package aimed at helping Americans impacted by the coronavirus. The new law provides individuals affected the coronavirus emergency paid sick leave, emergency family and...

[Read more](#)
blog.nada.org

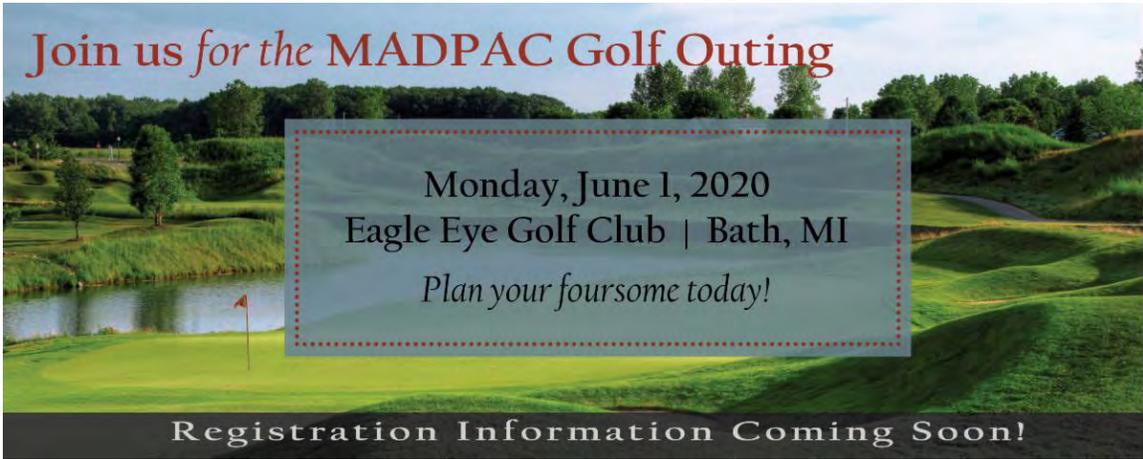


Webinar Recording: Coping with Market Volatility

Update on the market volatility resulting from the coronavirus and its related impact. CAPTRUST subject matter experts Scott Matheson and Wes Collins share their views on the markets, investing during challenging times, and the ways...

[Read more](#)
www.captrustadvice.com

Join us for the MADPAC Golf Outing



Monday, June 1, 2020
Eagle Eye Golf Club | Bath, MI
Plan your foursome today!

Registration Information Coming Soon!

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Retail and wholesale lending.

Jeff Gerard
jeff.gerard@huntington.com
(248) 637-7425



Provides a software platform to help dealers manage the hiring process and select the right person for the job.

Kevin Baumgart
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(773) 220-6035

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Michigan Automobile Dealers Association's

Friday Fast Facts



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Thank You for Maintaining Communication With Your Association

This is a very difficult time for many. Dealers are working hard to balance the needs of their businesses and employees, plus government and manufacturer requirements. There is a lot of information coming in and it can be challenging to organize and process it all.

The MADA office is functioning. Those who can work from home are doing so and only those needed for operations, COBRA and maintenance are in the office. You are welcome to call the office at (800) 292-1923 with any questions you might have, or email news@michiganada.org.

Our web site has seen unprecedented numbers. We typically have 2,000 to 4,000 visitors each month. Since March 9th, we have had about 12,000 unique visitors to our site. We are keeping the website updated as quickly as possible and encourage you to reference our [Coronavirus Toolkit](#) if you are looking for information.

We continue to work as a team with DADA and ADM in providing Governor Whitmer's office with information on what other states are doing with regard to sales and examples of sales methods that might apply to Michigan. We are in contact with her office, the legislative leadership offices of both parties, as well as the team handling the executive orders. At this time, the governor is remaining steadfast to be the most restrictive state.

Calendar Updates

Due to the current national crisis, we currently have two dates that will need to be crossed off your calendar.

- Cancelled ~ The April **CVR inventory** count has been cancelled
- Postponed ~ The June **MADPAC golf outing** has been postponed. We will update dealers when we have more information

Reminder: Only EMERGENCY Vehicle Sales Are Currently Permitted

DADA and MADA sent an [advisory](#) to dealers this morning with the governor's very limited allowance under which a dealership sales department may enter a vehicle sales transaction.

The governor's FAQ now states, in part:

There is one very narrow circumstance under which a dealership may engage in in-person sales. Under section 9(d) of the order, a business may engage in in-person work if it is to "provide food, shelter, and other necessities of life for economically disadvantaged or otherwise needy individuals, individuals who need assistance as a result of this emergency, and people with disabilities.

And gives an example of a sale that may be allowed:

Such as a critical infrastructure worker whose vehicle has been damaged beyond repair and who has no other means of transport to his or her work. These circumstances are expected to be satisfied very rarely.

At this time, no other types of sales may take place until the "stay home, stay safe" order is lifted.

MDHHS Director Deputizes Local Law Enforcement. Really?

The Michigan Department of Health and Human Services director has filed emergency rules with the Secretary of State's office to enforce the governor's orders and issue \$1,000 fines.

The emergency order states, in part:

Chiefs of police, sheriffs, and other local law enforcement leaders are specifically authorized to investigate potential violations of EO 2020-11, EO 2020-20, and EO 2020-21. They may coordinate as necessary with the local health department and enforce this Order within their jurisdiction. Law enforcement is specifically authorized to bar access to businesses and operations that fail to comply with the procedures and restrictions outlined in EO 2020-11, EO 2020-20, and EO 2020-21 and its accompanying FAQs. County prosecutors are likewise specifically authorized to enforce this Order to control the epidemic and protect the public health in coordination with the appropriate local law enforcement authority and, as necessary, the local health department.

- [Press release](#)
- [Emergency order](#)
- [Schedule of fines](#)

News from NADA: Webinars, Loans & Tax Credits

Upcoming Dealership Lifeline Webinars

Reminder: your NADA passcodes are required and "seating" will be at capacity. If you are not able to view live, webinars will be available on demand within 24 hours.

April 3, 1-2pm ET ~ [Managing Cash Flow: Making it Through the COVID-19 Pandemic](#)

Best practices for sources of immediate cash and other cash flow essentials to ensure that your dealership maintains the lifeblood of its business.

April 8, 1-2pm ET ~ [Build a 60 Day Profit Protection Plan](#)

Learn how to build a profit protection plan to save you 25% or more in the short term and long term.

April 9, 1-2pm ET ~ [Managing Service Operations: Making it through the COVID-19 Pandemic](#)

Best practices for managing a critical part of dealership operations—the service department—with or without a pandemic.

To view NADA's on demand webinars, please go [here](#).

Some Tax Benefits are NOT Available for PPP

Dealers who obtain a Paycheck Protection Program (PPP) loan will not be able to defer the payment of payroll taxes. And they won't be able to utilize the employee retention tax credit from the CARES Act. Consult your financial advisors to compare the cash flow benefits of these tax provisions vs. a PPP loan. [Both are explained on page 11 of this document.](#)

Paycheck Protection Program Now Open

The Paycheck Protection Program (PPP) is available to eligible businesses that have paid salaries and payroll taxes prior to February 15, 2020, and have fewer than 500 employees. For auto groups with more than 500 employees, eligibility affiliation rules may be waived under certain criteria. Ultimately, the PPP provides \$350 billion for 100% federally guaranteed loans for eight weeks and defers loans for up to six months. PPP applications can be submitted beginning Friday, April 3.

- [PPP loan application and program details](#)

Treasury has urged those in need of funding to apply quickly, noting that the program has a cap and demand is likely to be high.

New Legal Alerts from Fisher Phillips

Fisher Phillips, a law firm specializing in labor law, has assembled a cross-disciplinary task force to address the many employment-related issues facing employers. As the federal government updates and revises rules, regulations and clarifications, Fisher Phillips has been carefully reviewing the information

and helping to explain the changes to dealers. Please see the following for information important to your business.

NEW! Apr. 2 -- [Top 10 Things Employers Need To Know About DOL's New COVID-19 Rules](#)

The U.S. Department of Labor issued a new rule to regulate the Families First Coronavirus Relief Act (FFCRA) and the paid leave programs that just became law on April 1, 2020. We've digested the 124-page document and picked out the 10 things employers need to know about the new rule.

NEW! Apr. 2 -- [CDC's Updated Return-To-Work Standards May Be Helpful To Businesses](#)

The Centers for Disease Control and Prevention has provided updated guidance on when a person with COVID-19 may discontinue home isolation, offering a more flexible standard that could help employers and employees manage absences during this uncertain time. Previously, the recommendation was that people who test positive for COVID-19 or people experiencing COVID-19 like symptoms should self-quarantine for 14 days.

NEW! Apr. 2 -- [Step-By-Step Guide To COVID-19-Related Tax Credits For Paid Leave](#)

The Internal Revenue Service just provided an initial guidance document to assist small- and medium-sized companies with the process of defraying the costs of paid sick leave required under the Families First Coronavirus Response Act (FFCRA). Of immediate importance to employers, the IRS provided some guidance regarding what information you should receive from an employee in order to substantiate eligibility for the FFCRA tax credits.

UPDATED! Apr. 3 -- [Comprehensive FAQs For Employers On The COVID-19 Coronavirus](#)

The Fisher Phillips COVID-19 Taskforce has created a Frequently Asked Questions (FAQ) document, which has been continually updated since first published on March 3 and will continue to be updated as events warrant.

Articles You May Find Interesting



Be on the Lookout for Fake Coronavirus Tracking Sites...

With everyone tracking the global spread of the coronavirus, a new threat has emerged; Hackers have found a way to use popular COVID-19 tracking dashboards on medical websites to inject malware into users' computers. Hackers are leveraging the...

[Read more](#)
blog.nada.org



Blue Cross is Taking Action to Support Members...

As our health professionals are working tirelessly on the front lines to save lives and slow the rate of the COVID-19 pandemic, Blue Cross Blue Shield of Michigan and Blue Care Network are also working with our providers and customers to enable...

[Read more](#)
www.mibluesperspectives.com

ADM Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news. This week, we bring you the COVID-19 version...

- MI 'Weeks' Away From Apex; Cops Told To Issue \$1,000 Tickets For E.O. Violations
- UI Initial Claims Reach Highest Level In History
- Flint-Like Curfew Not Yet Considered Statewide; More COVID-19 Bits
- Wentworth Likes What He Sees In 1st State-Approved Auto Rates

Quote of the Week...

"William just told me he is on a conference call with Batman, Spiderman and Ironman. His conference calls are cooler than mine."

- Rep. Kevin HERTEL (D-St. Clair Shores) posting on Facebook a conversation he'd had with his young son while they adhered to the "Stay Home, Stay Safe" executive order.

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Increasing dealer profit, customer retention, CSI, and legal compliance by delivering superior products, strategic development, and world class service.

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UHY LLP offers financial and tax services including internal control, cybersecurity and merger and acquisitions. With 50 years of experience in the dealership industry, UHY is recognized for their ability to understand business goals and assist in making practical decisions that support the objective of the client.

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

In Memoriam: Douglas Wierda



It is with sadness that we notify you of the passing of Douglas Wierda on March 18, 2020 at the age of 81, following a short battle with cancer. Mr. Wierda, along with business partner, Ed Bosch, operated R.E. Barber Ford in Holland for many years.

Mr. Wierda is survived by his wife of 60 years, Lucille and his four sons, Craig (Emilie), Curt (Christy), Chris (Laurie), and Chuck (Shannon).

A Celebration of Life service will be scheduled in late spring or summer. Please see the [Online obituary](#) for more information.

MADA extends its sincere condolences to the Wierda family, friends and colleagues.

Those who would like to make a memorial contribution are asked to consider:

- Holland Christian Schools
- Bethel Christian Reformed Church
- Evergreen Commons
- Dorothy Geurink Memorial Scholarship and Trinity Christian College (Palos Heights, IL)

CVR Keeps Dealers Operating During the SOS Closure

Would your dealership like to connect with CVR to help make the vehicle title and registration process simpler during branch office closures?

CVR is able to work with dealers to get the dealership set up remotely during this time.

Not only does CVR make the process more efficient during very unique times of extended SOS closures, it benefits dealers on a normal basis by providing fast, secure, certified vehicle registration that streamlines the tag and title processes.

If you would like to learn more about CVR and what benefits it provides to dealerships and customers, please email mi-evr@cvrconnect.com or give Jeannie Stoglin a call at (248) 606-5367.



CVR is a proud partner of MADA, delivering vehicle registration services to the automotive dealers of Michigan.

The new CVR® MI Connect platform is the next generation of online vehicle registration that helps dealers serve customers better. With the new Connect platform, real-time data, dashboards, flexible reporting and centralized processing capabilities, vehicle registration has never been so fast and easy. Dealers save time and gain efficiency, while making customers happy.

We continue to hear warnings about increased fraudulent activity during this time. Cyber attacks, fraudulent IDs, impersonated emails...the list goes on. As dealerships are working through the challenges of working electronically and remotely, please remember to use extra caution and look for red flags.

Michigan Auto Dealerships Are At Risk Of Cyber Attacks During The

COVID-19 Crisis - Here's How To Combat Against The Threats

By John Rondini, Co-Chair of Brooks Kushman Cybersecurity and Data Privacy practice group

...As sales teams shift to remote-working environments, it is imperative for dealerships to review security processes and procedures related to remote access of their dealer management systems. Cybercriminals are not only aware of, but also actively targeting workers who are remotely accessing confidential and sensitive information.

Recent news reports and industry experts have highlighted the fact that cybercriminals are leveraging the confusion and chaos around COVID-19 to mount cyberattacks. According to a study conducted by Check Point Software Technologies Ltd., coronavirus-themed domain registrations are 50% more likely to be from malicious actors. One specific example involves websites that impersonate the COVID-19 tracking map maintained by Johns Hopkins University. These malicious websites are embedded with malware which allow hackers the ability to steal user credentials (e.g., employee ID/passwords) or download additional malware to the employee's system that could further infect a corporate server....

[Read the complete article here](#)

Additional Guidance and Insight

NADA has developed [best practices for using Zoom and other digital platforms](#) including keeping software up to date; using passwords in meetings; and refraining from displaying meeting IDs or participants' private information.

Common scams being reported around the country:

- Fake CDC emails and websites with fraudulent coronavirus information;
- Phishing emails, calls and texts related to the stimulus checks; don't respond to robocalls requesting your personal information;
- Impersonated communications from financial institutions or the IRS; banks will never ask you to respond to an email with your account details.
- Learn more about [common scams from the Cybercrime Support Network](#)

Scam making its way through another state. Customer comes to the dealer with a vehicle for repair work. Customer claims they are bringing the vehicle in for service for their "aunt", "mother in law", or some other outside arrangement. The perpetrator asks for a loaner vehicle because they cannot wait at the dealership. A bogus customer phone number is left with the service advisor, and you guessed it, the loaner vehicle does not come back and is now a stolen vehicle.

Scammers unfortunately take advantage of situations like this COVID-19 crisis to benefit themselves. If you are aware of scams being attempted at Michigan dealerships, please let us know. Email news@michiganada.org.

Option for Face Masks

MADA is aware many dealerships already have vendors to provide face masks, which are now required to be used in public spaces by the governor's newest executive order. We do not endorse or support any company to provide face masks, but we are passing along [this handout](#) in case dealers are looking for options. This is a company other dealers around the country are using. It is simply something mentioned today by a colleague so we wanted to pass the information along.

Articles You May Find Interesting



Dealer Inventory Management During an Economic Slowdown...



Will Property Taxes be Immune to the Effects of...

In a nutshell: In the past 50 years, Michigan has experienced at least five

Car dealer inventory management is a unique challenge. Between the makes, models and endless options there seems to be an infinite number of vehicles that can be pulled into the lot. But customers only want a specific vehicle, and they're willing ...

[Read more](#)
www.acvauctions.com

periods of economic contraction, including the current COVID-19 induced recession. The only recessionary period that saw extended, severe drops in property values and...

[Read more](#)
crcmich.org

ADM Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- New Order Eases some Biz Restrictions, Requires Face Coverings In Public
- MI's Weekly Unemployment Rate Nation's Highest; Expected To Hit 25%-30%
- \$310B More Pumped Into Paycheck Protection Plan
- Michigan Is Its Own Top Supplier Of PPE & Medical Supplies

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Plante Moran is among the nation's largest certified public accounting and business advisory firms. From tax minimization and fraud prevention to mergers and acquisitions and cost segregation studies, you'll benefit from a full range of services designed to help you navigate the complex retail dealer market.

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kurt.beck@plantemoran.com
(517) 336-7492



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Susan Frank
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Fast Facts Sponsor

DEALERS RESOURCES, INC. →

Dealers Resources Inc. is an independent agency focused on the unique needs of Michigan's automotive dealers. Our field employees across the state specialize in process development, training, and management support - including the Digital DRI Process. DRI provides a wide range of superior F&I products and various reinsurance structures focused around the needs of the individual dealer.

In Memory: Patsy Lou Williamson



We regret to inform you that Patsy Lou Williamson died on May 26, 2020 at the age of 87. She was the owner of the former Patsy Lou Chevrolet and Patsy Lou Buick GMC in Flint.

The family will hold a private funeral service.

Those wishing to make a memorial contribution are asked to consider St. Jude Children's research Hospital.

[More information](#)

Free Dealership EV Training Through June 15

The DTE Charging Forward team wanted to pass along this free EV online training opportunity. The course provided by Plug In America is normally a \$295 fee per person, but is being offered for free until June 15. It takes about 90 minutes to complete.

Use promo code PLUGSTAR for two registration options:

- **Individual Seat** - access to the course is instant
- **Multi-Seat** - once the application is completed, send an email with the names and emails of all the salespeople you want to take the course to dealers@pluginamerica.org. They will provide access to the course within 1 business day

Engaging Dealers With Electric Vehicles

This course is designed to help dealers and salespersons learn more about electric vehicles, their benefits and the best manners to sell them, particularly during the ongoing pandemic slowdown, which has affected dealerships, like so many other industries during this time.

The course reviews the unique needs of EV customers and how best to convey information on topics spanning public incentives, charging, and optional equipment, so that sales staff can confidently and efficiently sell EVs.

Benefits of participating include promotion on PlugStar.com and partner car shopping sites to provide the dealer with EV customers; Information and tools for dealer sales teams to confidently sell EVs and support the needs of EV customers; and assistance with questions about vehicles, charging, incentives and more by phone or email from Plug In America.

Board Meeting Rescheduled for June 10

With everything that has been happening, the executive committee needed to make changes to the 2020 board meeting schedule. Our next board meeting will be held in June via Zoom video. The MADPAC golf outing and board meeting has been moved to September (please save the date!). The Annual Meeting remains in East Lansing on December 2, 2020. All MADA dealers are welcome to attend the board meetings.

Wednesday, June 10, 2020

10:00 am Zoom video meeting

We will prepare a condensed agenda for this Zoom video meeting. **MADA dealers who would like to participate can email Debbie Stapleton-Korn at dkorn@michiganada.org by June 5.** She will respond a few days before the board meeting with the passcodes required to sign-in to the meeting.



Installment Seller License Renewal Reminders

The Michigan Department of Financial and Insurance Services (DIFS) has emailed a notice to dealers whose ISL renewal has not yet been submitted. If you received this email and have questions about your renewal, please contact Jean Quinn at jquinn@michiganada.org. She would be happy to assist as needed. We also remind dealers to ensure someone at your dealership received the original email from DIFS (emailed May 4) with the renewal application and payment codes.

Note: this license renewal is a requirement in addition to the volume of activity (sales and finance numbers) submitted earlier this year.

Are Tales of America's Waning Affinity for Auto Ownership More Tabloid Than Truth?

Reprinted with permission from the author, Mr. Charlie Howard, ATAE GCADA

Last week's headlines: *The Wall Street Journal* proclaimed, "Coronavirus bolsters car ownership as consumers rethink shared rides" while *Automotive News'* front page pondered, "Virus a roadblock or just a detour for mobility?" A bit amusing since it was less than two years ago that an *Automotive News* headline read, "More consumers say they don't need a car".

What a difference a pandemic makes.

Over the course of the past half dozen years, the press, prognosticators, futurists, and nearly anyone else claiming to be a "transportation expert" has been predicting the end of private motor vehicle ownership as we have known it for more than 100 years. Some were even predicting an annual vehicle sales reduction upwards of 40 percent within a matter of years.

In an effort to evolve, many of our OEMS got caught up in the hype as they pumped billions of dollars into ridesharing and ridehailing ventures, not to mention making big bets on autonomous technology that is surrounded by unanswered questions about consumer demand and affordability.

Now with the health and safety of public transportation, including ridesharing and ridehailing, in public doubt, a *Wall Street Journal* article asserts that many car owners are abandoning public transportation in favor of driving their own vehicle.

In the same article, Stephen Wollenstein, chief executive of Volkswagen Group China, noted that first-

time car buyers made up 60 percent of the company's Chinese sales last month, ostensibly to avoid public forms of transportation and risk infection.

Sound wisdom considering everything going on.

Is the pandemic really the cataclysmic event that caused this dramatic change of vehicle ownership heart or is it possible that Americans had, in fact, never fallen out of love with their car in the first place?

Two years ago, AAA released a study indicating that car ownership is a far more cost-effective choice than ridehailing. After studying ridehailing in 20 major urban areas, AAA concluded that even with the additional cost of parking, vehicle ownership, on average, costs about half compared to ridehailing.

At about the same time, NADA commissioned and released a study regarding vehicle ownership. The results indicated that it might be time to reconsider the accuracy of the predictions regarding the future of vehicle ownership:

- 89 percent of vehicle owners indicated they would not give up vehicle ownership. Only 11 percent of car owners surveyed wanted to give up their personal vehicle to exclusively ridehail.
- 93.5 percent thought vehicles were convenient to own. Only 6.5 percent viewed vehicle ownership as a hassle.
- Millennials, especially those older than 30, like their vehicles. Only 19 percent indicated would give theirs up. Last year, they bought nearly one in five of the new vehicles sold.
- The average household takes about 10 trips per day. NADA's study showed respondents waited an average of 9 minutes per trip for their ridehail to arrive. That is a lot of time.

In his study released this past January on the future of the automotive retail industry, *"The Dealership of Tomorrow 2.0: America's Car Dealers Prepare for Change"*, Glenn Mercer takes a look at the progression of mobility services (principally ridesharing and ridehailing) since his first report four years prior.

He reports that ridehailing remains less than 2 percent of all vehicle miles traveled. In fact, in several major markets, ridehail usage has stopped growing, and, in many markets, the traditional most frequent users are using these services less.

Perhaps most importantly, Mercer reports that the number of household vehicles registered has grown faster than the population with more cars per household. The average household now owns about 2.2 vehicles. One more critical point, household vehicle ownership continues to increase even in cities where ridehailing services are most heavily used.

So, this brings us back to our original questions. Was a sudden change of consumer automotive ownership heart brought on by a pandemic? Had Americans really fallen out of love with their car or truck? Was the pandemic a seminal moment that reminded Americans why they fell in love with their vehicles in the first place?

Sure, anything is possible. However, if AAA, NADA and Mercer are correct, it does not look like a love affair gone bad. Maybe, just maybe, there is a more plausible explanation.

Perhaps the predictions of doom and gloom during the last several years have been more analogous to the reporting of a tabloid story that lacks any real substance, but is repeated so often that everyone begins to believe it must be true.

Articles You May Find Interesting



BCBS of MI to Return More Than \$100 Million to...

Due to disruptions in previously anticipated health care services caused by the



April 2020 Jobs Report: Recap and Hiring Strategies...

COVID-19 pandemic, Blue Cross Blue Shield of Michigan and Blue Care Network will be returning more than \$100 million to many fully insured...

[Read more](#)
www.mibluesperspectives.com

No matter the economic conditions, your employees are your top source of competitive advantage, and can help your business through this crisis.

[Read more](#)
hireology.com



“Using the coronavirus as a selling point or advertising to people affected by it could be considered unfair and deceptive,” Randy Henrick says. “Be careful about using the virus as a sales tool.”

Sense Should Guide Dealer Advertising

Dealership compliance officers advise dealers to practice appropriate advertising methods during the pandemic. One controversial billboard urged people to put a down payment on a new car using the \$1,200 from the COVID-19 economic stimulus package. Tactics like this could earn the attention of a state attorney general or the FTC. *Read more in [this article](#) from WardsAuto.*

NADA also provides multiple resources for initiating successful advertising that remains compliant during the pandemic. Visit the NADA blog or lifeline webinar series on [Digital Marketing Framework for Navigating Uncertain Times](#) and [Online Sales: What Dealers Need to Know](#).

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



700Credit's [Identity Verification platform](#) provides a vital service by flagging information that on the surface may seem true, but in reality, is questionable. These warning messages focus on high-risk applicants, social security numbers, driver's licenses and addresses.

Ken Hill
khill@700credit.com
(248) 327-3800



When it comes to helping protect your employees by offering supplemental benefits, it's best to partner with a company who has the expertise in your field and understands your needs. We consider it a privilege that thousands of employees have put their trust in us. Consider American Fidelity for a different opinion.

Scott Adkins
Scott.adkins@americanfidelity.com
(618) 541-5534

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

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DEALERS RESOURCES, INC. →

Dealers Resources Inc. is an independent agency focused on the unique needs of Michigan's automotive dealers. Our field employees across the state specialize in process development, training, and management support - including the Digital DRI Process. DRI provides a wide range of superior F&I products and various reinsurance structures focused around the needs of the individual dealer.

Multiple Dealerships Hit; Dozens of Vehicles Stolen, Damaged

A very brazen and large group of individuals have targeted multiple dealerships in Grand Rapids. The individuals appear to be in their teens and young 20s. They scope out dealerships, find access points, key boxes and service drop boxes, then come back later and do significant damage.

It is quite possible this crime ring will branch out. We highly encourage dealers to take extra precautions to protect the keys to dealership inventory, as well as keys for customer vehicles in for service work.

This group has hit multiple dealerships over a number of consecutive days. They have smashed doors and windows, and in some cases driven vehicles through windows to gain access. After they get keys, they "click" around the lot to match them up to vehicles and drive off. They have no issue about returning at a later time, day or night - even with the police still on location - to match more stolen keys to vehicles. At least one person and an accomplice have been apprehended but all others are still at large and continue to cause trouble.

It appears they are driving vehicles around until they run out of gas, leaving them wherever they end up. Possibly giving or selling the vehicles to friends and family. Authorities have said some of the vehicles are being used to commit other crimes. Some of the recovered vehicles have been damaged. Many have not been recovered.

Dealers may want to consider extra security, relocating keys (inventory and service drop box), blocking entrances and driving lanes after close. This group is large and well organized. Unfortunately they have had success in Grand Rapids. As dealerships revise policies or the environment changes, they seem to move to the next store and may decide to expand their area of crime.

If you have questions please call MADA at (800) 292-1923 or email news@michiganada.org.

- [WOOD TV 8 news story](#)
- [WZZM 13 news story](#)

Show Your Support ~ Nominate NAIAS for the Best Car Show

We are excited that the North American International Auto Show has been nominated for the 2020 USA Today 10Best Readers' Choice Travel Awards as a contender for Best Car Show.



**NORTH AMERICAN
INTERNATIONAL
AUTO SHOW®**

Please show your support and visit <https://www.10best.com/awards/travel/best-car-show/> to vote for the NAIAS. (You can vote once a day through July 6.)

The 2021 show will be bigger and better and ready to roll out in June of 2021. We'll see you there!

Thanks so much for your vote and support!

Mark Your Calendar for the MADPAC Golf Outing...

Same Great Event with a New Date for 2020

Monday, September 28, 2020
Eagle Eye Golf Club | Bath, MI
Plan your foursome today!

Join us and show your appreciation for ADM's hard work this year!

Quick Reminder: Tire Registration Requirements

The National Highway Traffic Safety Administration (NHTSA) requires that Tire Identification Numbers (TIN) be registered, which provides tire manufacturers the necessary contact information in the event of a recall. It has been reported that the percentage of tires properly registered is low, on a national level.

Federal law requires that dealers must register tires either:

1. electronically on behalf of the customer (preferred method), OR
2. they can provide each purchaser with a pre-addressed completed tire registration form.

Registration should be submitted within 30 days of the tire purchase or lease.

There are online programs that offer the electronic registration service for a fee. Your automotive manufacturer may also have this service built into your franchise service program.

In an effort to minimize the average 700 tire-related fatalities that happen each year, NHTSA has a continued focus on [tire safety](#). Tire registration is one way dealers can help.

If you have questions please contact MADA at (800) 292-1923.

News from NADA...

Updated Analysis of PPP Loans: Use of Proceeds and Forgiveness



June 11 -- NADA has updated its [Analysis of PPP Loans: Use of Proceeds and Forgiveness](#) to reflect new [Small Business Administration revisions](#) to the Paycheck Protection Program's Interim Final Rule. The revisions to SBA's interim rule, originally posted on April 2, address key provisions such as loan maturity, deferral of loan payments and forgiveness elements. The document also reflects the SBA and Treasury Department's [forgiveness application documents](#) published on May 16. NADA urges dealers to provide the application and accompanying documents to their legal and accounting advisors. NADA's analysis will be updated as more federal guidance is released.

Number of Lawsuits Against Businesses Continues to Grow

June 11 -- The number of [COVID-19 related lawsuits against employers](#) continues to grow. Litigation includes allegations of failure to protect workers, customers and vendors; allegations of coronavirus exposure have steadily increased.

The U.S. Chamber of Commerce reports that allegations related to COVID-19 occur in more traditional types of claims, such as employment discrimination wherein plaintiffs claim the pandemic was used as a pretext for wrongful termination and securities fraud.

Fisher Phillips is also monitoring COVID-19 employment litigation and class & collective actions. View a litigation tracker and legal alerts [here](#).

Articles You May Find Interesting



IRS Okays Mid-Year Changes to Health, FSA and Dependent...

May 20 -- To assist with the nation's response to COVID-19, the IRS recently announced increased flexibility during calendar year 2020 for employers to allow new types of mid-year election changes under Section 125 "cafeteria" plans and extend...

[Read more](#)
americanfidelity.com



Finding Revenue During a Crisis Through Retail Warranty...

The world is in crisis, and no one has escaped the financial and economic effects of the COVID-19 pandemic. Everyone in the retail automotive industry understands the true impact that this virus is having on dealerships and just how crucial it is ...

[Read more](#)
dealeruplift.com

ADM Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- LARA Director Hawks In The Hot Seat Before Select Committee
- MI's Drop In COVID Cases Heralded
- Strip Clubs Opening Up, Has Governor Concerned
- Gov's Hidden Agenda On V.P. Speculation

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



CAPTRUST's Clarkston team has been serving Michigan-based auto dealerships since 1989 providing fiduciary advice to auto dealers across the country to help them, and most importantly, their team members manage their retirement plans/accounts more effectively.

John Young
john.young@captrust.com
(248) 620-8036

[New and improved CAPTRUST Advice website!](#)

David B. Parmenter & Associates, Inc.

Human Resource consulting firm offering dealer specific services, including employee handbooks, supervisory training, employee relations troubleshooting, managerial coaching for improved performance. We have provided services to franchise dealers for nearly 40 years.

David Parmenter
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Transforming the way the world buys, sells and owns cars. With more than 40,000 auto dealer clients across five continents, we strive to understand your needs by pairing our insights and research with your business goals - delivering inspired results to bridge the gap between consumers, manufacturers, dealers and lenders at every stage of the automotive experience.

[Read more in the Cox Automotive Learning Center](#)

Update from the Kent County Combined Auto Theft Team

Last week we mentioned that many dealerships in the Grand Rapids area have been vandalized and dozens of vehicles stolen. The thieves leave behind significant building damage, as well.

The Kent County Combined Auto Theft Team would like dealers to be aware that these dealership break-ins have branched out to Grandville, Ionia and other locations. It is likely the criminals will continue to expand their targets.

They are now stealing keys and vehicles from new dealerships, used dealerships, large and small lots. The detective urged that key control is critical. Make sure keys are secured; don't leave keys out in plain sight. Some dealers have started taking keys off-site at night or adding extra security.

Please be vigilant in your security measures, and if you have questions contact MADA at news@michiganada.org or (800) 292-1923.

[WOOD TV news report](#)

Auto Finance Fraud ~ Look for the Red Flags

Not only are thieves stealing keys and vehicles, scammers are taking advantage of COVID-19 and the current environment to find any potential weakness in revised business practices and using it to scam dealers into a vehicle sale. These criminals are skilled at their "trade" and often successful with a little persistence. These fraudsters will move from one dealership to the next (virtually or in-person) to find the employee who's not looking closely enough for the red flags.

It is unfortunately becoming easier for people with questionable morals to steal a person's identity, or simply create an identity using multiple stolen/fake identification sources, such as ["authentic fake" pay stubs](#). When documents are presented, be observant for red flags like misspellings, inconsistent text sizes or font styles, calculations that don't line up properly or unusual formatting. A red flag could also be a [person who doesn't question anything about the price](#) or add-on options, but simply wants to sign the contract.

Zurich reminds dealers that the FTC requires automobile dealers to have a [written identity theft prevention program](#) designed to identify, detect, and respond to warning signs that indicate a customer or potential customer could be using stolen information to obtain an indirect or direct loan or lease at their dealership.

Your policies and procedures should require that you become at least reasonably certain of your customer's identity. A supplement to the rule, available on the FTC's website, provides illustrations of [26 possible red flags](#) that fall into the following five categories:

1. Receiving alerts, notifications, or warnings from a consumer-reporting agency.
2. The customer presents suspicious documents.
3. The customer presents suspicious personal identifying information, such as a suspect address.
4. Dealership staff notices unusual use of or suspicious activity within an existing account.
5. You receive notices from customers, victims of identity theft, law enforcement authorities or other businesses about possible identity theft in connection with an existing account.

Note, not all 26 possible red flags will be relevant to the way your dealership does business.

This may be a good time to review your red flags compliance with staff and discuss what "alerts" require further investigation. The following article also provides some helpful tips to consider.

Digital Dealer: 5 Reasons Car Dealers Should Be Concerned with Fraud

Fraudsters have set their sights on big-ticket items like cars that can net them 15 to 20 times the cash value than they can get from credit cards. By providing fraudulent information on applications for car financing, a clever fraudster can make a profit of \$250,000 or more by shipping high-end cars overseas. And at the end of the day, it's the dealer that loses the car in these schemes.

There are four things dealers can do immediately to limit liability:

- Be aware that fraud can happen to you
- Trust your instinct, trust your gut
- Check more than identity
- Double check information
- And one more...reach out to lenders when you need help

[Read the full article for more on each of these items.](#)

Mark Your Calendar for the MADPAC Golf Outing...

Same Great Event with a New Date for 2020

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Eagle Eye Golf Club | Bath, MI

Plan your foursome today!

Join us and show your appreciation for ADM's hard work this year!

PPP Updates from NADA

SBA Issues New Interim Final Rule for the PPP

June 17 -- The Small Business Administration and the Treasury Department issued a new [Interim Final Rule](#) (IFR) that revises two previous IFRs for the Paycheck Protection Program. This latest rule conforms with changes made by the PPP Flexibility Act.



Note: A detailed explanation of these changes is included in [NADA's Lifeline Series Webinar Paycheck Protection Program Flexibility Act of 2020: Impact on the Use and Forgiveness of Loan Proceeds](#).

SBA Publishes New EZ Forgiveness Application for PPP Borrowers

June 17 -- The SBA issued an updated version of the [Standard Forgiveness Application with instructions](#). This revised application conforms with changes made by the PPP Flexibility Act.

SBA and Treasury also issued a simplified new [EZ Forgiveness Application](#) and [instructions](#) for PPP borrowers who can demonstrate:

- They qualify to avoid any pay-level-based reduction in loan proceed forgiveness; and
- They qualify for either the headcount-based forgiveness reduction safe harbor or the reduced business activity forgiveness reduction safe harbor.

Note: SBA and Treasury have indicated that borrowers may evaluate their eligibility for the head count and pay level forgiveness reduction avoidance safe harbors as of the date their forgiveness applications are filed.

Reminders:

- [Deadline to Apply for a PPP Loan Is June 30](#)
- [Deadline to Apply for Economic Injury Disaster Loan Is December 31](#)

FTC Blog: They Used A COVID-19 Pitch to Sell WHAT?!

The beige envelope says IMPORTANT COVID-19 ECONOMIC STIMULUS DOCUMENT ENCLOSED. Inside – next to what appears to be the Great Seal of the United States – is the phrase COVID-19 STIMULUS (INDIVIDUAL) and a 16-digit serial number. The mailer also includes a check purporting to be from the “Stimulus Relief Program.” Is it official information affiliated with a COVID-19 economic stimulus program? We won’t leave you in suspense. It’s a car ad...



...The case is pending in federal court in Louisiana. Even at this early stage, the law enforcement action sends some loud-and-clear messages. Making misleading COVID-related claims to sell stuff violates the law.

[Read the full article at www.ftc.gov](http://www.ftc.gov)

Articles You May Find Interesting



Wholesale Pricing Strategy | ACV Auctions

It goes without saying that pricing is one of the most important factors in determining a dealer’s success in both wholesale and retail. Match the market and you’ll likely be able to move your inventory quickly and maximize your cash flow, start...

[Read more](#)
www.acvauctions.com



Save the Date: NADA Returns to New Orleans

In 2021, the Auto Industry Event of the Year will be more important than ever, as we face ongoing challenges and navigate a new era of business for dealers. Save the date: NADA returns to New Orleans, January 21-24 for the latest workshops and...

[Read more](#)
blog.nada.org

ADM Capitol Corner

The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- COVID-19 Emergency Extended To July 16; School Reopen Costs \$665 More Per Pupil; More



- No-Penalty Property Tax Extension Passes House
- Gov's COVID-19 Nursing Home Policy Denounced By Senate

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Nonprofit corporations and independent licensees
of the Blue Cross and Blue Shield Association

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Contact the ADA Insurance Department at (800) 292-1923 for information.

[COVID-19 updates from BCBS](#)



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Stephen Graham
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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

ALERT: MADA has heard from multiple dealers who have been targeted *this week* by the group of criminals stealing vehicle keys, smashing dealership windows and doors, and driving away with new, used and customer vehicles. In some cases, the vehicles are used in other crimes and are later found with significant damage. We again remind dealers to consider increasing security of both customer and dealership keys. These criminals continue to branch out to new cities and the activity does not appear to be slowing.

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Transforming the way the world buys, sells and owns cars. With more than 40,000 auto dealer clients across five continents, we strive to understand your needs by pairing our insights and research with your business goals - delivering inspired results to bridge the gap between consumers, manufacturers, dealers and lenders at every stage of the automotive experience.

[Read more in the Cox Automotive Learning Center](#)

Jenifer Carter Retires from MADA After 36 Years

Jenifer Carter recently retired from MADA after 36 years with our association. She started working in the MADA recap department in 1984, where she helped review and categorize RD-108s to create a database of all vehicle sales in the state. (Recap was later taken over by Cross-Sell.)

As the association grew with the changing industry, Jenifer took on many different jobs and became a valuable assistant, willing to help wherever she was needed. We truly appreciate her dedication to our association and wish her a wonderful retirement full of new books and travel.



A customer submitted his license plate renewal to SOS during the shutdown...has not yet received the new registration and tab...and now wants to transfer that plate to a new vehicle. What do we do?

Answer: The dealership will need to process the transaction as a transfer and renewal, as if the customer had never sent the registration renewal to the state.

The process will be the same whether the transaction is being processed through CVR or the branch office. Unfortunately, the customer is going to be paying twice, but the state will later refund the customer. (Refund timeline is unknown at this time.)

SOS branch offices are understandably still catching up on work from the three-month shutdown. Registration renewals that have been submitted may still be waiting to be processed. In this instance where the customer has not yet received the new registration, the Michigan Department of State is requiring that the customer renew and pay for the plate transfer and registration renewal at the time of vehicle purchase.

Bonus Question: My mechanic is asking to wear shorts, is this allowed?

Answer: There are no OSHA or MIOSHA rules that specifically address shorts in the workplace. However, when discussing with safety consultants, they recommend that mechanics wear long pants to avoid hazards...and to minimize dealer liability.

While OSHA standards say nothing specific about wearing shorts, OSHA requires that a business identify all workplace hazards and implement a dress code that is designed to promote workplace safety. Ultimately, OSHA leaves it up to the employer to decide whether clothing provides adequate protection. Whatever your decision, your dress code should be written in a way that protects workers from specific hazards in the workplace while also allowing them to perform their jobs in comfort.

OSHA guidelines do address **shoes and workplace safety**. [Standard 1910.136\(a\)](#) states: The employer shall ensure that each affected employee uses protective footwear when working in areas where there is a danger of foot injuries due to falling or rolling objects, or objects piercing the sole, or when the use of protective footwear will protect the affected employee from an electrical hazard, such as a static-discharge or electric-shock hazard, that remains after the employer takes other necessary protective measures.

News from NADA: The Paycheck Protection Program ~ Working to Keep Dealership Employees on the Payroll

The Paycheck Protection Program, created by Congress as part of the CARES Act, has been invaluable in keeping dealership employees on the payroll during this extremely challenging time for vehicle sales (more information about the tremendous benefits of the PPP to dealership employees is available [here](#)).



In fact, **every dealer** NADA has heard from who received a PPP loan has used it to keep employees on the payroll, and/or bring back furloughed or terminated employees, even though economic conditions would have otherwise forced those dealers to make drastic and permanent workforce reductions. Furthermore, a great many dealers will end up devoting 100% of their PPP loans to payroll expenses.

This is exactly what Congress intended when it created the program, meaning the program is working exactly as it should.

Before COVID-19 hit, America's franchised dealerships – the majority of which are small business as defined by the Small Business Administration – collectively employed more than 1.1 million Americans, and provided those employees with \$69 billion in wages.

That's 1.1 million households and families in rural, suburban and urban communities across the country who depend the excellent pay and benefits they receive from their dealership jobs to pay their bills, contribute to their local and the national economy, and achieve the American dream.

Because of the PPP, those wages have remained intact for hundreds of thousands of those dealership employees across the U.S.

The Small Business Administration and the Department of Treasury [recently announced](#) that SBA will be making publicly available additional information about the PPP program, including the business names, addresses, NAICS codes, zip codes, business type, demographic data, non-profit information, jobs supported, and loan amount in the following loan categories:

- \$150,000-350,000
- \$350,000-1 million
- \$1-2 million
- \$2-5 million
- \$5-10 million

According to SBA and Treasury, these categories account for nearly 75% of the loan dollars approved. For loans below \$150,000, totals will be released, aggregated by zip code, by industry, by business type and by various demographic categories.

As of June 20, 2020, 5,456 lenders have approved 4,666,560 Paycheck Protection Program loans totaling \$514 billion, with \$128 billion still available to be lent to qualifying businesses that apply prior to June 30, 2020. SBA's complete June 20 PPP report is available [here](#).

Additionally of note, industries that received the greatest percentage of PPP loan disbursements are:

- Health Care and Social Assistance: 487,386 loans totaling \$66.5 billion (12.93%)
- Professional, Scientific, and Technical Services: 608,025 loans totaling \$65.6 billion (12.74%)
- Construction: 446,670 loans totaling \$63.9 billion (12.41%)
- Manufacturing: 223,452 loans totaling \$53.6 billion (10.41%)

- Accommodation and Food Services: 354,085 loans totaling \$41.4 billion (8.06%)
- Retail Trade: 432,933 loans totaling \$39.9 billion (7.75%)

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Plan your foursome today!

Join us and show your appreciation for ADM's hard work this year!

Retirement Plan Challenges During COVID-19

Many companies are reconsidering their current retirement plan situation based on their experiences through this recent crisis. Some who manage their own plan without advisors found themselves reaching out to industry professionals when considering the decisions the CARES Act forced them to make. Others may have had advisors/brokers who fell silent or struggled to help plan participants through the tough decisions they needed to make and calm the participants' reactions to the volatility.

This [LINK](#) will take you to a CAPTRUST resource page that outlines activity taken, information gathered and distributed to clients. Please take a few moments to check it out.

If you have questions about recent regulatory changes surrounding your retirement plan, like the impact of both the SECURE and CARES Acts, or are ready to review your dealership's retirement plan, you are welcome to reach out to MADA's preferred 401k partner, CAPTRUST. John Young and CAPTRUST's Clarkston team have been serving Michigan dealerships since 1989 and providing fiduciary advice to auto dealers across the country to help manage retirement plans/accounts more effectively.

Please contact John Young, Senior Vice President | Financial Advisor for information. Email John.Young@captrust.com or call (248) 703-1385.

U.S. DOL Reopening Guidance

June 18 -- The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) has issued [guidance](#) to assist employers reopening non-essential businesses and their employees returning to work during the evolving coronavirus pandemic.

The guidance supplements the U.S. Department of Labor and U.S. Department of Health and Human Services' previously developed [Guidance on Preparing Workplaces for COVID-19](#) and the White House's [Guidelines for Opening up America Again](#). The guidelines provide general principles for updating restrictions originally put in place to slow the spread of the coronavirus. During each phase of the reopening process, employers should continue to focus on strategies for basic hygiene, social distancing, identification and isolation of sick employees, workplace controls and flexibilities, and employee training.

[Read more](#)

Articles You May Find Interesting



**Federal Education Stimulus Helps
Some Districts More Than Others...**

Michigan schools have been affected by the coronavirus pandemic in so many ways. Having just ended the school year, local school board members are now turning their attention to the challenges of crafting a balanced budget for the upcoming year that begins in September. The federal government has made \$350 million available to help schools navigate the financial effects of the pandemic. The funds are intended to serve all students; however, the method used to allocate them favors some districts over others, creating winners and losers...

[Read more](#)

Citizens Research Council



WEBINAR: Tax strategies for adapting to challenging times

Adapting to the challenges posed by the COVID-19 pandemic and its economic impact has been difficult, to say the least. During this webinar, tax experts discuss practical tax planning strategies, with a focus on concrete action steps.

[Read more](#)

www.plantemoran.com

ADM Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Whitmer Says Play Ball . . . But No Fans Allowed; More COVID-19 News
- GOP Senators Smack Whitmer Over UIA Logjam; More Senate Floor News
- Former Senate Leader Art Miller Dies At Age 73
- Judge Orders GM, FCA CEOs To Get In A Room, Hammer Out Lawsuit

Associate Member Highlight

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Larry Raniszewski
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Eric Bowden
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For over 75 years, Colombo & Colombo, P.C. has been extensively involved in representing automobile dealerships and their trade associations. Many Michigan dealerships rely on us for litigation matters as well as advice on matters involving the legal aspects of operating a dealership. Our experience makes the difference.



With 30 years of experience in the energy industry, the IGS family of companies provides natural gas, electricity, solar, LED lighting solutions and alternative fueling options to over one million customers across the country. As the preferred energy partner to the MADA, IGS is focused on helping members make the best energy decisions for their business.

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Michigan Automobile Dealers Association

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor



Hireology Powers Recruitment Marketing and Hiring for 1 in 5 U.S. Auto Dealerships. Take the guesswork out of recruiting and hiring with a unified process to staff for any role in your dealership. Attract top talent, hire qualified employees and onboard new hires quickly, so they can start driving profit for your team.

[The Top 50 Automotive Dealership Job Descriptions](#)



The MADA staff wish you, your family and friends a happy, safe and healthy Independence Day.

Secretary of State branch offices will be closed in honor of the holiday on Friday, July 3.

The MADA office will also be closed on Friday and will reopen Monday.

Gov. Signs Bill Extending the Expiration of Driver's Licenses, State ID Cards, Vehicle Registrations to Sept. 30

On Wednesday, Governor Whitmer signed Senate Bills 876-878, which codify her previous Executive Orders, further extending the renewal dates for driver's licenses, CDLs, state ID cards and vehicle registrations. Among the extensions outlined in the legislation, **those with driver's licenses or vehicle registrations expiring on or after March 1 have until September 30, 2020 to have them renewed.**

MADA and DADA are reviewing the bills and will provide more details in an advisory, after the holiday weekend.

[Signing letter for Senate Bills 876-878](#)

[Press release](#)

Indoor Service at Bars Closed Throughout Much of Lower Michigan

Governor Whitmer also signed [Executive Order 2020-143](#) closing indoor service at bars throughout most of lower Michigan to protect the progress Michigan has made against COVID-19. Regions 6 and 8, which include the Upper Peninsula and much of northern Michigan, are excluded from the order, and bars statewide can continue to serve outdoors. The governor also signed a package of bills allowing cocktails-to-go at bars and restaurants to help these businesses serve more Michiganders during this time.

[Press release](#)

DOL Clarifies Eligibility for FFCRA In Light of Summer Program Closures

June 26 -- The U.S. Department of Labor's Wage and Hour Division clarified [eligibility for paid sick or expanded family and medical leave](#) under the Families First Coronavirus Response Act (FFCRA). This provides guidance for employers and employees affected by the closure of summer camps, summer enrichment programs and other childcare programs. DOL also issued a [poster](#) and an [eligibility tool](#).



For more information on the FFCRA, see NADA's [updated FAQs](#) on the federal emergency paid leave mandates, which reflect this latest guidance. An important addition:

Q: May an employee request FFCRA leave based on the closure of summer camps or other summer programs?

A: Yes. FFCRA leave may be taken if the employee is unable to work or telework due to a need to care for his or her child whose place of care is closed due to COVID-19 related reasons.

NADA Issues New Guide on Reopening Dealerships

NADA's newest Driven guide, [Reopening Your Dealership During a Pandemic](#), comprises recommendations from government agencies, dealer associations and other stakeholders for practices dealers can consider as they reopen their businesses during COVID-19.

The guide specifically highlights:

- guidance that seeks to mitigate the spread of COVID-19, including dealership-wide and department-specific protocols for cleaning and disinfection, health screening and social distancing;
- a task force charged with developing a detailed return-to-work plan;
- virtual and onsite training for employees;
- signage and communication that highlights the safety of employees and customers; and
- appendices with examples of state association guidance and best practices, a training acknowledgment form and numerous signs and posters available for download.

Note: Review NADA's earlier Driven Guide [Safely Operating Your Dealership During a Pandemic](#).

A promotional graphic for a golf event. The background is a lush green golf course with a pond and trees. Overlaid on the image is a semi-transparent grey box with a red dotted border containing the event details. Below the box, a dark banner contains the text "Join us and show your appreciation for ADM's hard work this year!".

Same Great Event with a New Date for 2020

Monday, September 28, 2020
Eagle Eye Golf Club | Bath, MI

Plan your foursome today!

Join us and show your appreciation for ADM's hard work this year!

Frequently asked questions from the Fast Facts archives...

Question: Can I move a vehicle for sale on one of my lots, to be displayed on a different lot I own?



Answer: Vehicles cannot be moved between lots without proper paperwork - even though you may own both locations.

You can move the vehicle from one lot to another *only if you properly transfer the title and record it in the Police Book*. The vehicle must be properly titled to the lot where it is displayed and sold.

Bonus Question: I bought a vehicle at auction and the title is in the mail. Can I display it for sale on my lot?

Answer: No. Until you are in possession of the title (not a copy), a vehicle may not be offered for sale on your lot.

The vehicle should have a "not for sale" sign posted in the window and be parked away from other vehicles for sale. This also holds true for digital advertising. You should not advertise a vehicle for sale unless you have the title in-hand. Once you receive the actual title, log it in the Police Book and only then may it be advertised and offered for sale.

Review [Chapter 2](#), Section 2.2 of the Dealer Manual for more about Police Book records.

If you have any questions about these rules call (800) 292-1923 or email dkorn@michiganada.org.

Articles You May Find Interesting



CBP Implements New and Innovative U.S.-Mexico-Canada...

U.S. Customs and Border Protection announced that it will implement the landmark United States-Mexico-Canada Agreement (USMCA) at 12:00 AM on July 1.

[Read more](#)
www.cbp.gov



House joins Senate in approving 5-week PPP extension

The U.S. House of Representatives on Wednesday joined the Senate in passing by unanimous consent a five-week extension of the Paycheck Protection Program (PPP). The bill now goes to President Donald Trump, who is expected to sign it...

[Read more](#)
www.journalofaccountancy.com

ADM Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Teachers, Kids Must Wear Masks In School Under Gov's School Roadmap
- No Phase 5 By July 4 As Bump Of COVID-19 Cases Grows
- Whitmer, Shirkey Haven't Met 1-On-1 For Weeks

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Providing motor vehicle dealers with a full range of legal services, from negotiation of purchase/sale agreements to regulatory compliance, litigation defense, and



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(313) 566-2500

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(989) 671-9680

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[The Top 50 Automotive Dealership Job Descriptions](#)

Mask Up, Michigan

The governor has developed a new web page with information about the benefit of face masks. Research shows that masks can greatly reduce the chance of spreading COVID-19, especially when **approximately 40%** of those who have COVID-19 may be asymptomatic. Learn more about protecting the public and protecting workers at: Michigan.gov/MaskUpMichigan

Masks should be worn in accordance with the Governor's Executive Orders and MIOSHA guidance if your business is authorized to be open as outlined in the [MI Safe Start plan](#).

Chance of Transmission	Asymptomatic COVID-19 Carrier	Uninfected Person
HIGHEST		
HIGH		
MEDIUM		
LOW		
LOWEST		
PRACTICALLY NONE		

← 6 ft →

More information from CDC: [Considerations for Wearing Cloth Face Coverings](#)

Note: a new executive order was just released outlining stricter requirements for the use of masks. DADA and MADA are reviewing the order and will provide more information shortly.

CVR Quarterly Inventory Count is Tuesday, July 14



Dealers are reminded to submit the Q3 inventory count on Tuesday, July 14, 2020, before processing any new CVR transactions. Dealerships will no longer be able to process in the system until after the quarterly count has been submitted.

- 1) Print an inventory available report from the CVR computer
- 2) Verify the report by physically checking the actual inventory to ensure that each plate or tab/permit is present. Sealed boxes do not need to be opened, simply check the labeling on each package.
- 3) If there are no discrepancies between the printed report and the physical verification, type the inventory numbers (beginning, ending and totals for plates, tabs and permits) into the CVR system. Remember to enter each line separately.
- 4) Submit the report

Dealers who do not submit the required information are in violation of their agreement with the Michigan Department of State and risk losing the ability to use the CVR program. If you have questions, or if you are having difficulty meeting your requirements, please contact your CVR account representative or call

Next count day: Q4-Tuesday, October 13, 2020

MADPAC Campaign Update



In a typical year, we begin MADPAC solicitation mailings in March. This year has of course been anything but typical. The MADA executive committee held off on requesting your PAC contributions, but it is now time to return to our fundraising efforts.

This COVID-19 pandemic has shown us quite clearly how critical it is that we have elected officials on both sides of the aisle who understand the dealer business and are willing to speak on our behalf.

During these continued uncertain times, dealers' MADPAC donations are needed to ensure that Michigan dealers' interests are being properly represented at our Michigan Capitol. Our industry is a significant source of revenue for our state and local communities, and Michigan residents depend upon the essential sales, services and employment we offer. We need legislators in office who will fight for our businesses, and the employees and customers who depend upon us.

We ask that every franchised Michigan dealer and their general managers contribute to MADPAC in July.

If you have any questions, please reach out to Kurt Berryman, ADM legislative director, at (517) 492-2886. Or call MADA at (800) 292-1923. We are happy to provide more information about MADPAC.

Nominate a Deserving Dealer for the Time or Northwood Award!

Please help us recognize MADA dealers who exemplify what it means to be upstanding community members. Review this [dealer nomination form](#) and nominate a dealer you believe deserves to be recognized for one of the following awards:



TIME Dealer of the Year Award

In addition to exhibiting exceptional performance in their dealerships, these nominees perform heroic community service and are strong advocates for improving the world around them.



Northwood Dealer Education Award

Recipients of this award have made noteworthy contributions to education, inside or outside of the industry. They are recognized for substantial dedication to the educational process and the field of automotive marketing.

Nomination deadline is July 17, 2020

Same Great Event with a New Date for 2020

Monday, September 28, 2020
Eagle Eye Golf Club | Bath, MI

Plan your foursome today!

Join us and show your appreciation for ADM's hard work this year!



MIOSHA Workplace Safety and Health Review... Without Citations

MIOSHA's "Take a Stand Day" offers an opportunity for employers to bolster their workplace safety and health by requesting a free consultative visit from the Michigan Occupational Safety and Health Administration (MIOSHA) with NO CITATIONS or PENALTIES. (However, employers must agree to correct all serious conditions.)

Across the state on August 12, 2020, MIOSHA is inviting employers to "Take a Stand" for workplace safety and health. For this 16th annual event, the MIOSHA program is dedicating more than 125 professional staff to visit Michigan industries targeted by the MIOSHA Strategic Plan. MIOSHA safety and health professionals, including compliance staff, outreach consultants, managers, and supervisors, will provide one-on-one consultations to address specific issues, such as:

- Explain a specific MIOSHA rule.
- Conduct a safety or health hazard survey.
- Evaluate a safety and health management system.
- Provide other requested technical assistance..

To schedule a visit complete a [Request for Consultative Assistance \(RCA\) form](#) electronically and submit to MIOSHA. (MIOSHA notes that the form works only when accessing it via Internet Explorer or FireFox browsers. It does not submit correctly via Google Chrome.)

The deadline to submit your request is July 24, 2020. You will be contacted two weeks prior to the date for scheduling. More information is available [here](#).

August 12th not the most convenient day for your dealership? Not a problem! MIOSHA's Consultation Education and Training (CET) Division also offers free safety and health assistance year-round. To learn more check out the [CET web page](#). Also see: [MIOSHA self-inspection checklist](#)

In Memory: David Hines



More information is now available about the passing of David Hines, which was briefly mentioned in Tuesday's notice to dealers.

Mr. Hines passed away on July 6, 2020 at the age of 74. Prior to his retirement, he was a partner at Snethkamp Chrysler Dodge Jeep RAM in Redford, along with his brother-in-law, Mark Snethkamp.

He is survived by his wife of 50 years, Mary, and preceded in death by a daughter, Susan Ramsey (Clay).

A memorial service will be held at a later date.

Those wishing to make a memorial contribution are asked to consider the [Birmingham Bloomfield Art Center](#) or [Pink Fund](#).

[View the online obituary](#)

Articles You May Find Interesting



FCC Issues Ruling on "Peer-to-Peer" Texting Platforms



Fighting Cyber Fraud: What You Can Do to Protect...

Even before the spread of COVID-19 changed everyone's behaviors, cybercrime

On June 25, 2020, the FCC issued a Declaratory Ruling relating to text messages, autodialers, and the Telephone Consumer Protection Act (TCPA).

[Read more](http://blog.nada.org)
blog.nada.org

was on the rise. According to the Federal Bureau of Investigation's (FBI) 2019 Internet Crime Report, 2019 saw both the highest number of complaints and the highest...

[Read more](http://www.key.com)
www.key.com

ADM Capitol Corner



The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Whitmer Vetoes Bipartisan COVID-Related Tax Relief Bills
- While Gov Called For PPE, Suppliers Couldn't Get DTMB On The Line
- State Employer: Risking UIA Staff By Reopening Offices Would Make Things Harder
- 'Unprecedented' \$3M Fine Levied Against Biz Blamed For Holiday Booze Shortage

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Our customized dealer finance solutions offer competitive interest rates and floor plan terms. Finance options include the improvement or expansion of your facilities as you grow. We strive to add compelling value to our relationship by helping your business via: succession planning, treasury management and personal banking.

Gerald Hartley
gerald.hartley@53.com
(313) 230-9037



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Serra Benefits SPECIALIZES in the design, implementation and management of employee benefits for Michigan Auto Dealers. From health, life, dental, and vision to disability and 401Ks, we handle it all. We are the only agency in Michigan that has a full and practical understanding of the needs of Michigan's Auto Dealers. We offer 24/7 availability, personal hands-on service, unique and creative solutions and much more!

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(810) 584-7458

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The new CVR® MI Connect platform is the next generation of online vehicle registration that helps dealers serve customers better. With the new Connect platform, real-time data, dashboards, flexible reporting and centralized processing capabilities, vehicle registration has never been so fast and easy. Dealers save time and gain efficiency, while making customers happy. [Learn more here.](#)

Quick Reminder and Overview of Michigan's Face Mask Rules

The governor's recent [Executive Order 2020-147](#) reiterates that individuals are required to wear a face covering whenever they are in an indoor **public** space. In addition, the order requires any business that is open to the public to refuse entry or service to people who refuse to wear a face covering.

Businesses that are open to the public must also post signs at entrance(s) instructing customers of their legal obligation to wear a face covering while inside. MIOSHA offers [printable posters](#) that may be used -- or you may create your own.

[Executive Order 2020-145](#) further outlines the use of face masks for employees. Employers must require face coverings to be worn **when employees cannot consistently maintain six feet of separation** from other individuals in the workplace, and consider face shields when employees cannot consistently maintain three feet of separation from other individuals in the workplace.

If you have further questions please contact MADA at (800) 292-1923 or email news@michiganada.org.

Question: A customer has indicated they are exempt from any face mask requirement due to an underlying medical condition. What should we do?

Many dealers have been asking questions regarding people who claim a medical need to **not** wear a mask. Fisher Phillips has provided great information and resources related to this dilemma. The following FAQ and other information about face masks can be found on their [website](#).



Answer: Instead of engaging in a discussion with the customer or guest about whether they are exempt from your rule, consider whether you can offer an accommodation that would allow them to either access your business or your products/services, such as through curbside service, or by letting them know they can enter at another time if they are wearing a full clear face shield.

First, you should post a notice at your entrance and on your website that you require patrons to wear a facemask to enter your place of business, and reserve the right to refuse service to anyone not complying with the requirement. Also, if your business is by reservation only, you should train staff to advise individuals making reservations of the requirement.

Although an individual may have an underlying medical condition that makes it difficult to wear a mask (e.g., a pulmonary condition), it is highly unlikely the person is carrying a doctor's note to that effect. Further, some state public health orders prohibit you from requiring medical documentation when this type of exemption is claimed. For these reasons, it is probably not best to require documentation from this individual to support their request.

This isn't to say that you need to let them into your establishment, however. Instead of engaging in a discussion with the customer or guest about whether they are exempt from your rule, consider whether you can offer an accommodation that would allow them to either access your business or your products/services, such as through curbside service, or by letting them know they can enter at another time if they are wearing a full clear face shield. Remember, although you may have a policy or be subject to a state-ordered obligation to require facemasks, you may also have an obligation to accommodate the individual if doing so is possible. If that is not reasonably possible, you may advise the individual that they may not enter at that time but they may in the future if wearing a full clear face shield.

July 16 Legal Alert --[How Should Your Business Handle Anti-Mask Guests? A 5-Step Action Plan](#)

Additional Information

[Sample sign regarding alternate options](#) (Word doc)

Note 1: dealers who have specific cases where customers do not want to wear a mask and they accept alternative methods (curb side, social distance delivery, a face shield, etc.) may want to document the date, time and name of the customer, with a brief note. This provides documentation in case there are any follow-up questions.

Note 2: we have heard that some dealers, in a proactive attempt to know what to do, have contacted their local law enforcement authority or sheriff and asked what they should do when a person does not want to wear a mask, demands service and refuses to leave. It is helpful to know your options and who to call.

New Associate Member: AmeriLabs24

We are pleased to inform dealers that AmeriLabs24 has joined MADA as our newest associate member.

With a Lansing-based laboratory, plus work-site and mobile collection testing options, AmeriLabs24 can quickly and conveniently assist dealers with various employee testing needs.



- Drug testing for pre-employment, random testing, post-accident and DOT
- Hazmat, Twic and TSA pre-check interviews
- Background fingerprinting with Identogo
- Collection site for blood work with Quest and Labcorp

Learn more at www.amerilabs24.com. You may also contact Paula Ervin, director of business operations at paulae@amerilabs24.com or (517) 215-7209.

SOS Offers Free Dealer Training Online

The Michigan Department of State is now offering dealer training through Microsoft Teams Live to assist all classes of licensed vehicle dealers and their staff on the basic requirements of the Michigan Vehicle Code. There are no course registration fees.

Class sizes are limited and registration is required. **Log into your dealer account** on [CARS e-Services](#) under *Dealer Services* to register.

Note for STANDALONE Class B Vehicle dealers: if you are scheduled to renew on December 31, 2020, it will be necessary to meet the dealer training requirement set forth in the Michigan Vehicle Code. Please refer to this [flowchart](#) for the dealer training requirements. **(This training requirement does NOT apply to Class A/B dealerships. Nor does it apply to a supplemental Class B license when it is connected to a Class A/B license.)**

If you have questions about training requirements please contact Jean Quinn at jquinn@michiganada.org or call (800) 292-1923.

What will be covered?

Michigan.gov/SOS and Other State Web Sites; How to Utilize eServices

- Issuing and Cancelling BFS-4 Temporary Registrations
- Adding and Removing Users

Dealership Records and Record Keeping Requirements

- Police Book Requirements
- Proper Documentation of Vehicle Sales
- Deal Jacket Requirements
- Vehicle Buy Back

Established Place of Business Requirements

Consumer and Dealer Protection

The Dealer Inspections Process

- Commonly Issued Violations

Dealer Plate Usage

Sales and Use Tax Requirements

Same Great Event *with a New Date for 2020*



Monday, September 28, 2020
Eagle Eye Golf Club | Bath, MI
Plan your foursome today!

Join us and show your appreciation for ADM's hard work this year!

Your Registration Is in the Mail...

We are getting ready for fall-weather golf this year! Please check your mailbox for more information about the MADPAC golf outing, coming back to Eagle Eye Golf Course on Monday, September 28, 2020.

We welcome back all our regular golfers - and invite new golfers to help us recognize a significant year for dealers and our legislative liaison, the Auto Dealers of Michigan, LLC. As we have said before, the extreme challenges of 2020 have shown us how important it is for our dealerships to have bipartisan support at the Michigan Capitol, and elected officials who will meet with us and speak out for our business. This golf outing is a fun option to support MADPAC and our legislative priorities, while also hearing how other dealers around the state are working through this very unique environment.

The golf outing is open to dealers, employees, family -- or anyone else in the industry who would enjoy an afternoon of golf, food, prizes and camaraderie. We look forward to seeing you!

A registration form is in the mail, or you can download a form [here](#).

We realize COVID-19 restrictions may still be in place at some level and are working with the golf course to ensure our event meets any potential state health and safety requirements.

Articles You May Find Interesting



NADA Issues Second Quarter 2020 Auto Sales Analysis

NADA has issued an analysis of U.S. auto sales and the economy following the second quarter of the year, a period when dealers and the U.S. economy continued experiencing the impact the coronavirus ...

[Read more](#)
blog.nada.org



Encouraging Your Employees to Take Vacations...

Does your workplace culture encourage employees to take vacation time? Despite the benefits of taking time to recharge, more than 50% of American workers leave some of their vacation days on the table. There are a variety of reasons employees...

[Read more](#)
www.mibluesperspectives.com

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With nearly 100 years of experience, Ally is one of the largest providers of automotive financing in the U.S. Our extensive experience and deep understanding of the auto industry allow us to offer unrivaled expertise and support.

Susan Frank
Susan.frank@ally.com
(636) 795-1325



Dawda Mann's team of automotive franchise and dealership attorneys are experts in the automotive dealership industry, possessing decades of extensive experience providing legal counsel to automotive dealership franchises and their owners concerning a wide array of legal matters, including buy-sell transactions, real estate transactions, corporate matters, succession and estate planning, loan transactions, employment matters and general litigation.

Edward Dawda
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Revised CDC Return to Work Recommendations

Colombo & Colombo Has Updated Its Sample Preparedness Plan Accordingly

Following revised recommendations from the Centers for Disease Control and Prevention (CDC), Colombo & Colombo, P.C. has updated the sample *COVID-19 Exposure Prevention, Preparedness and Response Plan* previously provided to dealers.



The plan has been updated to account for the **CDC's revised/updated recommendations for self-isolating and returning to work** after experiencing COVID-19 symptoms, a positive test or exposure to someone with COVID-19. Article V of the plan addresses this new guidance.

Other more minor revisions include updates to the symptoms list, to account for additions to CDC's common symptoms list. The PPE section has also been updated to address the requirement to wear a face covering when social distancing is not achievable.

Please remember that this is a sample plan only and should be reviewed and modified according to each dealership's actual policies and procedures relating to the pandemic.

- [Sample preparedness plan](#) (Word doc)

Dealers may want to consider updating their mandated preparedness plan (regardless of who developed the original plan) to account for the CDC's new guidance. If you have questions please contact MADA at (800) 292-1923.

2021 **NADASHOW**

NEW ORLEANS
EDUCATION & EVENTS January 21-24
EXPO January 22-24

Registration for NADA Show 2021 Now Open

Attendee registration and housing are now open for NADA Show 2021, the Automotive Industry Event of the year, returning to New Orleans, Jan. 21-24. This latest installment of the Show will be the most important yet during this new era of business for dealers.

Learn the latest strategies to navigate business disruptions from NADA Academy instructors, get legislative and regulatory updates from experts, share insights with top industry professionals, and shop the latest dealership tools and products at NADA Expo.

Registration is required to book a hotel - and **the best hotel selections always fill up quickly** so register

New FAQs from Fisher Phillips

Fisher Phillips recently updated and added questions to its [Back-To-Business FAQs for Employers](#). Following are just a few of the new questions. (Hint: to find new questions use the *find* option in your web browser and search by date.)

- We are reopening our business. If employees are getting tested for general surveillance or as part of an employee "return to work" program, is that testing covered by the FFCRA and required to be provided without cost-sharing?
- Once the pandemic is over, are we required to continue to provide COVID-19 diagnostic or treatment coverage? If we do not have to, do we have to notify employees before we make this change?
- Employees who are not enrolled in major medical health coverage are asking us to provide telehealth care. I recall that after health care reform providing telehealth to these individuals could create issues. Can I provide telehealth now that my employees are anxious about going to a doctor's office or hospital?
- When a full-time employee's hours are reduced indefinitely, how long should active group health coverage continue before COBRA is offered?
- Are EFMLA and EPSL wages reported on Form W-2, and if so, are there any special reporting instructions?



Question: My branch office is closed due to a person testing positive for COVID-19. What do I do now?

Answer: The Michigan Department of State has informed us that a branch will be closed for several days for cleaning. Dealer work currently at that branch will be sent to neighboring branches to be processed*.

While this will be an uncommon occurrence, we want dealers to be aware that branches have plans in place should there be a need.

In the event of a person testing positive for COVID-19, customers and businesses will be directed to use a nearby branch office during the closure. This could be due to an employee testing positive, or a customer who visited the branch.

At this time, the SOS does not have a method to notify dealerships directly if a closure is planned, though they are looking into a solution. The closures are posted to the [SOS Twitter feed](#). (Hint: look for *branch alert* notices.) A notification in red is also posted to the online *customer* appointment lookup.



Michigan Department of State @MichSoS · Jul 20

BRANCH ALERT: The Secretary of State offices at West 7 Mile Road in Detroit and in Holland are closed until further notice due to persons who were in those offices testing positive for COVID-19.

When dealer work is transferred to a different branch, the Secretary of State's office will contact the dealership once the paperwork is complete and ready to be picked up.

*** Important note: if a dealer is NOT on EFT with the state** the transaction must remain at the original branch until it reopens. (If you would like to consider getting an EFT account with the state, please contact Debbie Stapleton-Korn at dkorn@michiganada.org for more information.)

New Associate Member: Bellavia Blatt, P.C.

MADA is pleased to welcome new associate member, Bellavia Blatt, P.C.



BELLAVIA BLATT, PC
ATTORNEYS AT LAW

Bellavia Blatt is a pioneer and leading dealer advocate for Retail Warranty Reimbursement, having

successfully obtained hundreds of millions in retail warranty increases over the past 30 years for dealerships across the nation. The firm provides a unique expertise and understanding of Michigan's warranty reimbursement statutes, so dealers can maximize their Retail Warranty Reimbursement. Due to the volume of work performed, the firm offers a low flat fee that is fair and competitive and is generally recouped within the first month of receiving reimbursement at retail.

For more information please visit dealerlaw.com. You may also contact Leonard Bellavia at (516) 873-3000 or email lbellavia@dealerlaw.com.

Automotive News Retail Forum: Dealer Discussions

As the US and Canada slowly emerge from the COVID-19 pandemic, what people, tools and processes will be needed to reshape and rebuild the new retail landscape? *Automotive News* has asked some of the top retail and industry executives to share their insights and strategies to rebuild their businesses and meet the needs of today's consumers.

There is no cost to view this virtual series, but registration is required.

- [Lessons Learned and Best Practices](#) (recorded July 14) - Leaders from NADA, TrueCar, CDK and the Carter Myers auto group discuss what's working and what they've learned during the pandemic.
- [Employee Issues and Safety](#) (recorded July 21) - Leaders from dealerships across the U.S. share how they've addressed health and safety, balanced costs, met customer demand and generally reacted to the last 5 months.
- [Digitization of the Retail Network](#) (live on July 28)
- [Revenue Centers/New & Used Cars](#) (live on August 4)

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PPP loans have delivered for countless employees

In the last week of March, new-vehicle sales dropped 59%, and America's new-car and -truck dealers faced severe liquidity concerns not seen since the Great Recession of 2008-09. As a result, many of our members confronted the dreaded prospect of...

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The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- Senate GOP Try Unsuccessful Veto Override On Employee Retribution



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- Oceana County Has Highest COVID-10 Rates; Unemployment Down; EMs Want Head's Up
- Hertel On Senate R's Possibly Losing Two Votes

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Michigan Automobile Dealers Association

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

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500-Year Flood Devastates Auto-Focused Northwood University

Since 1959, Northwood University has stood as a pillar of excellence for countless business leaders and intrepid entrepreneurs. With a flagship campus in Midland, Mich., Northwood is the only four-year university that boasts its own international auto show, as well as unique undergraduate tracks like Automotive Marketing & Management and Entrepreneurship. For 57 years, the Northwood University International Auto Show has hosted the largest, outdoor exhibition for aftermarket companies and automotive brands. The event is held at the beginning of each academic year and has been entirely led by the student body. But students and faculty face many unknowns to the start of this academic year.



In May, a historic and devastating flood submerged homes, buildings and the livelihoods of Midland residents and Northwood students.



This natural disaster, dubbed by locals as the Flood of 2020, decimated the area when two dams along the Tittabawassee River collapsed, causing more than 20 billion gallons of water from Wixom Lake to descend upon Midland County and Northwood University

Within hours of the dam breaking, important structures were completely or partially submerged underwater. An estimated 10,000 residents were evacuated immediately, along with Northwood students, as water levels exceeded eight feet on the campus. The damage throughout the area is estimated at \$175 million, with \$10 million at Northwood alone. The campus is

struggling to recoup a loss of \$4.2 million to its athletic facilities after its arenas were gutted and the football field was almost entirely submerged.

The process of rebuilding and reopening seems to be a linear theme throughout this unprecedented year and the Midland area is no exception. University president Dr. Kent MacDonald said that regardless of the devastation, the university is working hard to welcome students back this fall by rebuilding athletic facilities, renovating classrooms, and engineering the campus so that it's better protected against flooding in the future.

But it won't be easy.

Northwood needs the support of the business community more than ever...

Repair Facility Registration Renewals

A majority of dealerships renew their repair facility registration in September of each year. These dealers have begun receiving renewal information by mail from the Michigan Department of State (MDOS). As a reminder, renewals are mailed 45-60 days prior to registration expiration.

Completed renewal applications can be mailed to MADA for review and hand-delivery to the state. If you have questions please contact Jean Quinn at (800) 292-1923 or email jquinn@michiganada.org.



News from NADA...

OEM Incentive Payments to Dealership Employees Count Toward Minimum Wage

The U.S. Department of Labor said in a recent [opinion letter](#) that dealerships may be able to count manufacturer incentive payments against their obligation to pay employees applicable minimum wage. DOL's decision hinges on whether the third-party payments are an explicit or implied part of the employment agreement, saying that if "employees know of the specific incentive program terms, which are established by the sponsoring manufacturers and communicated by the dealerships to their sales consultants in advance of performing their sales work ... given these facts, the incentive payments will be considered part of the employment agreement and count toward minimum wage obligations by the employing automobile dealership."

DOL opinion letters serve as a useful guide for employers on federal and state wage and hour compliance issues. For example, relying on an opinion letter can bolster an employer's defense in a court action that it acted in good faith. Given state-by-state variations on wage and hour law, dealers should consult their labor counsel on application of the DOL's opinion letter to their operations. [See also NADA's Dealer Guide to Federal Wage and Hour, Child Labor and Wage Discrimination Compliance.](#)

Manufacturer payments to dealership employees vary widely by the manufacturer, program and products involved. The DOL opinion letter doesn't address the pros and cons of such payments, only whether they may count towards a dealer's minimum wage obligations.

SBA Issues New FAQs on PPP Loan Forgiveness

This week the Small Business Administration issued [new FAQs on Paycheck Protection Program forgiveness](#) issues for borrowers. The FAQs provide key insights on potentially eligible payroll and non-payroll costs and on potential reductions to forgivable expenses.

Among other things, the FAQs clarify that:

- Forgivable transportation costs are limited to transportation utility fees assessed by state and local governments; and
- Reductions in pay outside of salary or wages (e.g., commissions) do not result in pay-level reductions under the statute and do not affect overall forgiveness of the loan.

This latest FAQs supplement an SBA notice outlining the process by which PPP lenders must review loan forgiveness applications, noting that lenders may begin submitting loan forgiveness decisions to SBA on August 10. Dealerships with PPP loans should review both the FAQs and the SBA notice with their lenders and, as necessary, with outside advisors such as CPAs and attorneys.

Note: additional PPP loan forgiveness information is available from [NADA's Coronavirus Hub](#), including [Guidance on the Use and Forgiveness of PPP Loan Proceeds](#) a recent [webinar](#) and [CARES Act FAQs](#).

Fisher Phillips: Emerging Trends In COVID-19 Workplace Litigation

As of this writing, employees from across the country have filed more than 430 COVID-19-related lawsuits against their employers and former employers. Not all of these claims have focused on the Family First Coronavirus Response Act (FFCRA) — the federal legislation governing Emergency Paid Sick Leave and Emergency Family and Medical Leave — but rather a substantial number of lawsuits have alleged employer impropriety using COVID-19 as a factual backdrop. Examining some of these cases more closely, some common themes emerge. How should employers prepare for potential litigation?

Examples Of COVID-19 Workplace Lawsuits

Throughout the country, a number of employees have alleged various forms of discrimination in connection with COVID-19 layoffs and reductions in force (RIFs). The below matters are some examples of the types of claims that have been asserted against employers. Significantly, however, the following cases are in the midst of active litigation, and the employers' positions on relevant issues (any pertinent denials of the employees' allegations) are unknown at this time:

In *Allen Manley v. Ram Construction Services and Ram Construction Services Michigan, Inc.*, a former employee filed a lawsuit in Michigan state court claiming that the employer discriminated against him because of his age in connection with the former employee's furlough and subsequent termination of employment. Namely, the former employee worked at the employer for 28 years before being furloughed due to COVID-19. The former employee alleged that his work performance and experience were superior to that of his younger counterparts, but the employer rehired the younger employees after the furlough and instead offered the former employee a severance agreement following his separation. The former employee asserted that the employer used COVID-19 as a pretext for the termination of his employment.

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A new common scam involves online contact forms or emails pertaining to your website. Recently, we have seen an increase in spam submissions from "photographers" who claim that your website uses one of their photos without appropriate license...

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Today's pandemic and the rising risk of auto theft

Zurich's Special Investigations Unit invites you to watch our latest webinar to learn more about this growing trend intensified by the pandemic and share insight on how to best mitigate your risk.

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Employee-pay program offering legal assistance and identity-theft services.

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Cox Automotive Survey Finds Vehicle Buyers Rethinking Budgets

The most recent installment of Cox Automotive research on the evolving impact of COVID-19 on the U.S. was released this week. This ongoing research, which focuses on consumers' and dealers' attitudes and behaviors during the pandemic, began in late March and continues to be updated biweekly.

The latest COVID-19: Tracking U.S. Consumer Sentiment report offers a fresh look at how awareness, familiarity and level of concern of COVID-19 is impacting everyday consumer behaviors. The economic impact of the pandemic is clear, with fewer vehicle buyers in market and buyers rethinking their budgets. It is also clear that "getting back to normal" is still a long way off.

In the latest study findings, we see three main takeaways:

- The COVID-19 pandemic is more than a health concern. The economic impact of the pandemic is real. Affordability issues are paramount for shoppers who have been financially impacted, with Gen Z and Millennials the hardest hit.
- There is positive momentum in service. Consumers were excited about the concept of service pick-up and delivery before COVID-19 hit. The outbreak has given many their first actual experience. The response is good.
- Consumers are looking for The New Normal. It's clear everything isn't going to immediately snap back to the way it was, and in some instances, consumers have found a better way to do business that they don't want to lose.

Read the [COVID-19: Tracking U.S. Consumer Sentiment](#) for more details.

MIOSHA Answers Your Questions on Workplace Safety Compliance

We continue to hear that MIOSHA inspectors are randomly stopping by Michigan dealerships as part of the State Emphasis Program (SEP) focused on retail, restaurant, bar and service industry establishments. These inspections have lasted between 2-6 hours and focus largely on compliance with the governor's COVID-19 executive orders. We remind dealers to read the [August 6 DADA/MADA advisory](#) for more about these compliance audits.

MIOSHA's COVID-19 Workplace Safety Director, Sean Egan, has provided additional guidance during Q&A webinars that answer questions from employers and employees about compliance with the governor's executive orders on workplace safety.

COVID-19 Workplace Safety Director Sean Egan Wor

554 views • Jul 23, 2020



Michigan Dept. of Labor and Economic Opportunity
2.63K subscribers

COVID-19 Workplace Safety Director Sean Egan answers
visit Michigan.gov/COVIDWorkplaceSafety for more resc

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While some of the answers are a bit vague because situations from one business to another will be different, this does help provide additional guidance. IMPORTANT NOTE (see image): click the "show more" option to see a list of all the questions asked. This allows you to view questions and in most cases click the timestamp for the answer you want to hear. Links to the four webinars and just a few examples of questions are below. (There are many more questions and answers beyond what is sampled here.)

View [July 16, 2020](#) webinar

- 12:36 – What happens if a worker still tests positive after 2-1/2 weeks and the doctor tells them they are no longer contagious. Can they come back to work? The CDC says after 2 negative tests they can come back.
- 14:08 – As long as I wear my mask into work. After my temp is taken and my questions answered is it safe to remove my mask once in my office with the door closed? When people enter or I leave the area I reapply the mask.
- 25:56 – In an office environment, if an employee leaves the premise for an appt, should temp check and questionnaire be asked again?

View [July 23, 2020](#) webinar

- 20:52 - Is there a timeframe on how long you have to keep the health questionnaires on file?
- 22:07 - A member of the public comes to our office to make a payment and does not go beyond our front lobby. Is this person required to have a face covering to come inside the lobby area? (Note: Front desk worker in the lobby area is shielded by Plexiglas.)

View [July 31, 2020](#) webinar

- *Note: This week's webinar is focused on bars and restaurants, but we are including in case you are interested.*

View [August 7, 2020](#) webinar

- 13:00 - Are face masks required during in person meetings in offices if social distancing is in place.
- 13:23 - If someone is closer than 6 feet but separated by a plexiglass barrier does the 6 ft rule apply?
- 14:11 - Is there a template than can be provided to record employee's answers to daily self screening questions?
- 14:56 - What if an employee's spouse tests positive, but is not symptomatic. What should we do before allowing him back to work?
- 15:38 - Our front office is closed to the public, our staff cubicle walls go 3/4 to the ceiling and spacing of work areas are greater than 6 feet apart, some even 12 feet from anyone else. Do they need to wear masks at all times while sitting at their desk? As it is all in the same 'room'?

New Guidance on PPP Loans; Loan Forgiveness

One of the (many) COVID-19 related issues dealers are still working through is the Paycheck Protection Program (PPP) and loan forgiveness. There are many resources for information and guidance. Following are recent updates and guidance you may find helpful.

NADA: SBA Issues New Guidance on PPP and EIDLs

August 12 -- This week, the Small Business Administration (SBA) issued new borrower guidance on the Paycheck Protection Program (PPP). These include new FAQs on the use of loan proceeds for medical plan costs and on how the PPP interacts with Economic Injury Disaster Loans (EIDL). For more information, please see the following:

- A new [FAQ 51](#) clarifying that allowable payments for the provision of group health benefits include vision and dental benefits.
- [Several new FAQs](#) on the interaction between EIDL and PPP loans.
- A new [Interim Final Rule](#) on how to appeal an adverse SBA PPP loan review decision.

As appropriate, dealerships with PPP and/or EIDL loans should review the new FAQs and IFR with their lenders and, as necessary, with outside advisors such as CPAs and attorneys.

Note: Additional PPP loan information is available from [NADA's Coronavirus Hub](#), including a [Guidance on the Use and Forgiveness of PPP Loan Proceeds](#), a recent [Webinar on forgiveness](#), and a set of [CARES Act FAQs](#).

On July 23 the SBA released new guidance for procedures on submitting PPP forgiveness loan documents as well as guidance for reporting suspicious activity in the EIDL Program.

- [SBA Procedural Notice: Procedures for Lender Submission of Paycheck Protection Program Loan](#)

- [SBA Information Notice on Guidance Regarding Identification and Reporting of Suspicious Activity in the COVID-19 EIDL Loan Program](#)

Note: The PPP forgiveness platform will go live and begin accepting lender submissions on August 10, subject to extension if any new legislative amendments to the forgiveness process necessitate changes to the system.

Fenner, Melstrom & Dooling, PLC: The Possible Tax Consequences of PPP Loans

August 11 --If your business was fortunate enough to get a PPP loan taken out in connection with the COVID-19 crisis, you should be aware of the potential tax implications.

Cancellation of debt income

In general, the reduction or cancellation of non-PPP indebtedness results in cancellation of debt (COD) income to the debtor, which may affect a debtor's tax bill. However, the forgiveness of PPP debt is excluded from gross income. Your tax attributes (net operating losses, credits, capital and passive activity loss carryovers, and basis) wouldn't generally be reduced on account of this exclusion.

Expenses paid with loan proceeds

The IRS has stated that expenses paid with proceeds of PPP loans can't be deducted, because the loans are forgiven without you having taxable COD income... [Keep reading.](#)

Plante Moran: Understanding the loan forgiveness application

WEBINAR Wednesday, Aug. 19, 2020 | 3:00 – 4:00 p.m. EDT

The Paycheck Protection Program (PPP), part of the CARES Act, has provided financial assistance loans to small businesses and organizations. Applying for PPP loan forgiveness leaves borrowers with questions, which our experts will help answer. During this webinar, we'll discuss the PPP loan background and focus on the loan forgiveness aspect from the borrower's perspective, including detailed time periods, necessary payroll information, and allowable nonpayroll costs for forgiveness. [More information and registration.](#)



Zurich is Bringing Service Advisor Training to Your Dealership, Virtually!

Registration ends TODAY, Friday, August 14 at 10 pm

Zurich Power Training 2020 takes all the elements of success in the service drive and simplifies them to help service advisors of all skill levels achieve even greater success. Don't miss this energizing, informational and interactive remote training. (Video capabilities are required.)

This new remote training option offers three days of interactive learning right from your desktop. Morning and afternoon sessions are available.

- Training dates: August 17–19
- Two options for time: Session A 10-11:30 am EST / Session B 1-2:30 pm EST
- Cost: \$199 for Zurich F&I customers / \$299 for Non-F&I customers
- [Additional information](#)

If your dealership can't attend in August there will be additional virtual seminars in September and October.

Articles You May Find Interesting





Supporting Employees Navigating Personal Challenges

If you run a business or manage a team, you know your employees are critical to your success. Sometimes, the people you've hired will face personal challenges that impact their ability to get the job done. Supporting your employees when they're...

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www.mibluesperspectives.com



The Restart Rebound

After its longest-ever period of growth, U.S. economic activity and markets collapsed during the first quarter in response to the initial pandemic shock and stay-at-home mandates. In the second quarter, markets shrugged off virus fears as...

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DEALERS RESOURCES, INC.

Dealers Resources Inc. is an independent agency focused on the unique needs of Michigan's automotive dealers. Our 18 field employees across the state specialize in process development, training, and management support - including the "Digital DRI Process". DRI provides a wide range of superior F&I products and various reinsurance structures focused around the needs of the individual dealer.

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For information about the various dealership bonds available, please call MADA at (800) 292-1923 or email jquinn@michiganada.org.

News from NADA: Tax Treatment of PPP Loan Expenses



We have received several inquiries from dealers and ATAEs about an economy-wide regulatory interpretation that jeopardizes the deductibility of expenses related to all Paycheck Protection Program loans. As this issue is critical to every recipient of a PPP loan, NADA supports clarifying legislation that would provide full deductibility of PPP loan expenses.

Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the amount of a forgiven PPP loan will not be included as income under the Tax Code. However, the Treasury Department issued a regulatory interpretation of the CARES Act providing that PPP loan expenses that are forgiven may not be deducted from federal income taxes. Under this interpretation, PPP forgiveness grants would no longer be tax-free as Congress intended under the CARES Act.

NADA has been working this issue for several weeks, along with the broader business community. The [attached letter](#) signed by NADA includes approximately 180 other signatories.

Fortunately, there is strong bipartisan support in Congress to reverse Treasury's interpretation. House Ways and Means Chairman Richard Neal (D-Mass.) and Ranking Member Kevin Brady (R-Texas), as well as Senate Finance Committee Chairman Charles Grassley (R-Iowa) and Ranking Member Ron Wyden (D-Ore.), support legislation to clarify that the CARES Act provides for full deductibility of PPP loan expenses. The Joint Committee on Taxation has stated that a legislative fix would have no revenue impact because Congress intended to provide for full deductibility in the CARES Act. The House has passed a large COVID relief bill that included a provision for full deductibility, and in the Senate, both Republican and Democratic leaders are expected to be supportive.

The next major COVID relief package provides the best legislative vehicle to enact this narrow fix, but those negotiations are currently stalled. Therefore, we will be working this issue during the Virtual Washington Conference in September, and if necessary, during the lame duck session of Congress. We understand the urgent need to resolve this issue favorably for the 2020 tax year.

Mailing from the MDOS Vehicle Records Activity Unit



Dealers may have received a letter from the Michigan Department of State's Vehicle Records Activity Unit mentioning an expansion of online services for commercial clients. Also enclosed in the mailing was an application form for a business customer account and a request for dealers to provide a list with VINs of all business owned vehicles. **Most dealers won't need to do anything with the paperwork.**

We contacted MDOS asking for more information about this form and its purpose.

This program is more geared toward fleet groups, trucking companies, electric companies with many business vehicles, etc. The program allows these companies to create an e-Services account and renew registration for business vehicles through the online system.

Dealerships who use CVR already have easy, in-house access to these services and more. Dealers can renew their own plated vehicles through the CVR system in a much more timely method. There is no additional benefit or need to add the new service.

The letter also mentions the ability to complete transactions for a duplicate title/registration. This would only be applicable to vehicles currently registered to the dealership. This service would not apply to lost or duplicate titles from a customer owned or trade-in vehicle. Dealers already have a process for these type of transactions.

If you have additional questions about the letter please reach out to MADA at (800) 292-1923.

Michigan Monthly Revenue Report ~ July 2020

Following are some bullet points from the Senate Fiscal Agency's July 2020 revenue report.



The impact of the COVID-19 pandemic continued to be apparent in the collections for many taxes, reflected by a combination of postponed due dates for taxpayers, Governor Whitmer's Executive Orders, federal stimulus measures such as the "Paycheck Protection Program" and additional unemployment benefits, new liquidity facilities from the Federal Reserve, and precautionary behavior by taxpayers.

- Revenue from Michigan's major taxes with General Fund and School Aid Fund earmarks totaled \$3.5 billion in July 2020, a 58.4% increase from the July 2019 level.
- Net income tax revenue totaled \$1.8 billion in July 2020, a 105.0% increase from July 2019 and \$319.3 million above the forecasted level, largely reflecting the revised July due date for quarterly and annual payments due in April 2020.
- Withholding payments were 2.9% above the year-ago level and \$195.2 million above the predicted level. The relative strength in withholding primarily reflected payments from taxpayers who elected to have withholding taken from their unemployment insurance benefits, combined with the impact of supplementary Federal provisions, which increased benefit amounts and expanded eligibility for payments
- Sales tax collections totaled \$867.2 million in July 2020, an all-time monthly record that was 18.5% above the level in July 2019 and \$202.8 million above forecast.
- **Sales tax collections from vehicle sales totaled \$123.0 million, slightly less than the all-time record set in October 2001 when the Detroit automakers first announced zero-percent vehicle financing.**
- Combined business tax collections from the Single Business Tax, Michigan Business Tax, and Corporate Income Tax totaled \$292.1 million for the month (meaning collections exceeded refunds) and were \$81.0 million above the expected level. Fiscal year-to-date business tax collections were up 7.3% from the level in July 2019.

[View the complete report here.](#)

Proper Cleaning for Your Credit Card Terminal During COVID

Information from Michigan Retailers, MADA's partner for credit card processing

With the pandemic, cleaning protocols are a must. Your credit card device serves as a frequent contact point between your customers and your employees. Here are tips on how to sanitize your payment processing devices for the safety of all.

- First, turn off your device and unplug it from the power source.
- Devices should be gently cleaned to remove dirt, residue or debris using a lightly water-dampened, clean microfiber cloth.

- One or two drops of pH-neutral, non-scrubbing soap may be used. Do not use solvents, harsh detergents or abrasive cleaners.
- After cleaning, the devices may be sanitized using an alcohol-based wipe or appropriate alcohol-based cleaner (approx. 70-90% strength isopropyl alcohol) applied to a microfiber cloth.
- Apply gently; do not scrub. Isopropyl alcohol applied to a clean microfiber cloth may be used on touch panel displays but never press hard on displays.

To protect your machine, here are some things that you should NEVER do:

- Never spray, coat or pour any liquid, sanitizer, or disinfectant directly onto the device.
- Never use bleach, hydrogen peroxide, thinner, trichloroethylene, or ketone-based solvents – they can deteriorate plastic and rubber.
- Refrain from vigorously rubbing with a dry towel, or similar actions, which can cause electrostatic discharge and trigger a tamper alert.

Reminder: MADA members receive a large group rate on credit card processing through our program with MRA. If you're not using the program, call MADA at (800) 292-1923 to request a cost comparison.



Fisher Phillips: Flu Season And Possible COVID-19 Vaccine Will Shine A Spotlight On Workplace Vaccination Policies

As the flu season approaches and the COVID-19 pandemic continues, employers' mandatory vaccination policies may soon become more important than ever. For several reasons, those policies will also attract unprecedented scrutiny.

- First, the [Centers for Disease Control \(CDC\) has stated that getting the flu vaccine this fall will be all the more important](#), both to reduce health risks for individuals and to conserve the country's potentially scarce healthcare resources, particularly for respiratory conditions like the flu and COVID-19.
- Second, one or more COVID-19 vaccines are expected to become available later this year or in early 2021, offering possible protection from this worldwide scourge.
- Third, mandatory vaccination policies sometimes spark deeply personal responses at a time when political differences and social justice issues remain at the forefront of the nation's consciousness.

As employers seek to balance their duty to maintain a workplace free of recognized dangers and the rights of individual employees, questions abound: Can you enforce mandatory vaccination policies? (In most cases, the answer is "yes," as discussed below.) If you mandate flu shots or COVID-19 vaccinations, what specific risks and responsibilities must you consider and address? And finally, is a mandatory vaccination policy the right option for your company? As usual, the answers to these critical questions lie in the details. This article will provide you an outline of issues to consider as you answer these questions, along with some recommended best practices guidance to lead you through these unprecedented times.

Keep reading the [Fisher Phillips legal alert](#) for more discussion on:

- The Legal Backdrop
- The Question Of Mandatory Flu Shots
- May Employers Require A COVID-19 Vaccination When One Becomes Available?
- Employers' Rights To Make Medical Inquiries Or Conduct Screenings Remain Far More Limited Than The Right To Require Vaccinations
- Should An Employer Require Mandatory Vaccinations?

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Automotive News Retail Forum Recap | Hireology

What's ahead for Dealers for the rest of 2020 The final installment of the Automotive News Retail Forum: Dealer Discussions virtual series wrapped up this week, showcasing how dealers and industry partners have weathered the staffing and...

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FTC's Recent Actions Point to Aggressive Pursuit...

The FTC has recently indicated its displeasure with auto dealers and that is a sign that dealers may need to tidy up their compliance practices. In May, the FTC entered into a \$1.5 million consent order...

[Read more](#)
www.autodealercompliance.net



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The Auto Dealers of Michigan, LLC offers [weekly updates](#) on Michigan legislative news.

- State's \$600M Flint Water Crisis Settlement Includes 'Groundbreaking' Services For Children
- Legislators Wants Audit Of UIA
- August Seeing Higher Daily Average Of Reported COVID Cases Than July
- Stabenow: Low Chances Of New Federal Aid

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

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Are you one of the 500-plus MADA members with a surety bond through MADA's Dealers Insurance Agency (DIA)? Our partnership with Merchants Bonding Company gives you the ease of managing your bond directly through MADA, while receiving underwriting from a national leader in surety. Merchants is among the top 15 surety writers in the United States and has had an "A" (Excellent) rating or better from A.M. Best since 1958.

For information about the various dealership bonds available, please call MADA at (800) 292-1923 or email jquinn@michiganada.org.

Citizens Research Council of Michigan:

The COVID-19 Recession Imperils the State's Cash Position



Highlights:

- After a decade of economic growth and policies focused on shoring up the state's cash position, it was as strong at the end of FY2019 as it had been for more than two decades.
- The state revenue losses arising from the current recession are creating short-term risks to the cash position.
- The approach state policymakers take to crafting FY2021 and FY2022 budgets will determine the long-term outlook for the state's cash position. They may be forced to choose between the goals of maintaining a strong cash position and crafting budgets with minimal spending cuts to live within available revenues.

The State of Michigan experienced considerable cash flow challenges, among other fiscal disruptions, throughout much of the mid-2000s. Maintaining positive monthly cash balances in its major accounts was a struggle. The state nearly ran out of cash to satisfy the monthly obligations of these accounts in 2007, before school aid payments were re-arranged to avoid a cash shortfall.[1] Over the past 10-plus years, the state's cash reserves have improved markedly.

This continued improvement has put the state in a stronger position to manage the monthly ebbs and flows of cash outlays. This extra breathing room will undoubtedly prove critical in the coming months and years, as the state's fiscal picture is ravaged by the effects of the current recession. State tax receipts have plummeted while a number of state-financed programs are experiencing increased spending pressures associated with the COVID-19 pandemic. The recession is likely to affect the state's cash position immediately, but it will also have long-term implications. A pressing question facing state policymakers and budget watchers is whether Michigan made the appropriate fiscal decisions over the past decade to improve its cash position and avoid the problems experienced in mid-2000s?

[Keep reading...](#)

For Your Customers...

NHTSA launched the SaferCar app on Thursday

One in four vehicles on the road has an unrepaired recall, and

that's a safety risk. Keeping consumers aware of the latest information about recalls – information that could directly impact their lives – is a top priority for NHTSA. This week NHTSA launched a new app, SaferCar, so consumers can get precisely the crucial information they need, as soon as it's available.

Consumers can download the SaferCar app, set up their virtual garage and add as many vehicles as they like. They can even enter related equipment like tires, trailers and car seats.

SaferCar remembers all the vehicles and equipment, notifying the consumer of all related recalls, and even pointing them to local dealerships handling vehicle repairs, so they can quickly make an appointment and get it fixed for free.

[Learn more here.](#)



Get Vital, Current Recall Info in 3 Steps

Download the SaferCar app

Type in or scan your Vehicle Identification Number (VIN)

Receive recall notifications on your mobile device

State Issues COVID-19 Citations for Workplace Safety Violations

The [first round of MIOSHA citations](#) show that the governor and local health departments are serious about compliance with the COVID-19 executive orders. Six businesses were cited with serious violations for failing to uphold safe and healthy practices. The companies have 15 working days from receipt of the MIOSHA citations to contest the violations and penalties. The citations include suggestions to fix the hazards.

The following list provides examples of violations, fines and the basis for the MIOSHA inspection:

- United Shore Financial Services, LLC, based in Pontiac was fined \$6,300. An inspection was initiated due to multiple employee complaints and reports from the Oakland County Health Department of COVID-19 outbreaks among employees. **Example violation:** employer allowed employees to work in a shared office space without wearing face coverings.
- UPS distribution facility based in Livonia was fined \$7,000. An inspection was initiated from a complaint. **Example violation:** employer did not ensure sufficient cleaning measures of delivery vehicles.
- Speedway, LLC, gas station and convenience store location in Waterford was fined \$6,300. An inspection was initiated under the MIOSHA State Emphasis Program for service industries. **Example violation:** employer allowed employees to inadequately wear face coverings under the nose and mouth or not at all.
- Coop's Iron Works, a fitness center based in Saginaw was fined \$2,100. An inspection was initiated after a referral from the Saginaw County Health Department noted several confirmed COVID-19 cases associated with this facility and the facility is operating indoors in violation of the Executive Order. **Example violation:** employer did not conduct a daily health screening of employees entering the facility.
- Dan Freed, a residential contractor based in Eaton Rapids was fined \$6,400. A programmed inspection was initiated at a Grand Ledge, MI jobsite. **Example violation:** employer had not conducted employee training on COVID-19 that covered social distancing and the use of face coverings.
- Hills Roofing, LLC based in Niles was fined \$5,300. A regular programmed inspection was initiated at a Niles, MI jobsite. **Example violation:** employer allowed workers within six feet of one another when it was feasible to have them work more than six feet apart.

Please see the [press release](#) if you are interested in seeing the complete list of violations noted at each work site.

As we mentioned in the [August 6th DADA/MADA advisory](#), MIOSHA inspectors are looking for compliance with [Executive Order 2020-161](#) - safeguards to protect Michigan's workers. Your associations have spoken with dealerships that have been inspected and some of the actual inspectors. These bullets are some of the issues being reviewed:

- The required preparedness and response plan, and where it is posted - in building, website, etc.

See [COVID-19 Exposure Prevention, Preparedness and Response Plan](#) (Revised Aug 6 2020, Word doc) from Colombo & Colombo P.C.

- Designated COVID-19 coordinator, on-site at each location so employees have a contact for related questions.
- Plexiglas barriers in place and distancing marks on the floor indicating 6-foot spacing, where needed. (*Distancing marks were measured!*) Example: parts counter, receptionist, cashier, service writer.
- Daily symptom checks of employees and accompanying logs.
- Employee training documentation and proof that employees have been properly trained.
- Review of all posters required at the entrances for employees and customers.
- Proper usage of masks by employees (in common areas and whenever a 6-foot spacing cannot be maintained).
- Inspection of lunch areas and common areas to ensure 6-foot social spacing is in place.
- Policy in place for customers who visit without a mask, noting which employees may encounter this issue and how employees are instructed to respond. What options are available for customers who cannot / will not wear a mask. Inspectors have also asked if the dealership has turned away any customers.
- Disinfection of vehicles in for service and those taken on test drives.
- We have also heard that MIOSHA inspectors may walk around the dealership and interview random employees, asking questions about their knowledge of the preparedness plan.
- Inspection of general MIOSHA safety concerns and request for the MIOSHA work related injuries Form 300.

If you have questions please contact your association.

Training Has Gone Virtual!

While the past five months have been a challenge of new rules, regulations and operational modifications, one positive has been access to virtual educational opportunities. Many programs are now offered online - wherever you are, no travel required. Following are a few upcoming programs for the various departments in your business.

Elevate 2020: A People Strategy Series

Description. Hireology's Elevate 2020 is going virtual to bring automotive's only human capital summit to everyone safely. To reach even more dealership professionals, the registration is waived – allowing you to watch keynotes and panels completely free of charge. [Learn more and register](#)

Week 1 (Sept. 15): People Operations as a Profit Center

Week 2 (Sept. 22): Digital Transformation in Buying and People Management

Week 3 (Sept. 29): The New Applicant Economy: Connecting with Applicants in Today's Challenging Climate

The **Michigan Department of State's** training events have been moved to a virtual setting utilizing the Microsoft Teams Live platform.

- [Vehicle dealer training](#)
- [Repair facility / mechanic training](#)

Zurich Power Training 2020 (Sept 21-23) takes all the elements of success in the service drive and simplifies them to help service advisors of all skill levels achieve even greater success.

According to J.D. Power, your service advisors are dealing with between 12-15 customers every single day. This far exceeds the volume that even your top front-of-house salespeople are talking to. That's why it's so important to put the time and resources into training them to sell effectively. [Learn more and register](#) (note: times are listed in Central Time)

Michigan Environmental Compliance Week, Sept. 21-25. The Michigan Department of Environment, Great Lakes, and Energy (EGLE) is hosting a week-long virtual compliance assistance event devoted to helping businesses, communities, and environmental professionals protect Michigan's environment by learning how to comply with the environmental regulations that apply to them. [View the agenda](#) to see what sessions may be of interest to you.

Articles You May Find Interesting



Dale Pollak | A Case for Stocking Up Now on Used Vehicles...

For much of the past several months, I've advocated that dealers take a cautious approach to the way they replenish their used vehicle inventories. Last week, I shared how dealers should cross-check their rolling 30-day and 14-day totals of...

[Read more](#)

www.dalepollak.com

Help Kids Protect Themselves Against COVID-19 at School...

Are your kids going back to school in-person this fall? Along with talking to them about good studying habits and why it's important to pay attention in class, you'll also want to make sure they understand the importance of doing everything they...

[Read more](#)

www.ahealthiermichigan.org

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Every business sets goals for efficiency, liquidity and profitability. PNC supports these goals by providing customized cash flow solutions to make your everyday business money management as efficient and effective as possible.

Jeff Glaser
jeff.glaser@pnc.com
(248) 729-8215



With over 10,000 products available, Reynolds and Reynolds offers forms and supplies for every department in your dealership, including standardized, legally-reviewed F&I compliance documents. Reynolds also offers a variety of products and services to meet your marketing needs.

David Williams
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MADA has partnered with Blue Cross Blue Shield of Michigan to offer dealers a complete line of group and individual health care plans, as well as companion products such as prescription drugs, dental and vision and hearing. Call MADA at (800) 292-1923 to learn more.

- [How Blue Cross is Helping During COVID-19](#)
- [The Value of Vaccines for Your Employees](#)

Keep Your Current Dealer Plates - Tabs Are Coming!

Rather than printing and mailing new dealer plates every February, dealer plates will now be renewed with tabs, similar to the process for resident license plates. Once your 2021 dealer license has been processed and issued, you will receive tabs to place on your current allotment of plates.

MADA is reviewing the changes with the Michigan Department of State (MDOS) and will provide more information in the coming weeks. In the meantime, here are a few important items to keep in mind:

- The MDOS will mail (via USPS) renewal packets - including supplementals - to your main lot. The state anticipates sending the mailing at the end of September.
- Tabs will be mailed once a dealership's renewal has been processed and issued.
- **Tabs are PLATE SPECIFIC.** The number on the tab must correspond with the plate number so please pay close attention when tabbing your dealer plates. (There will be a fee to replace erroneously placed tabs.)

With this new process, it is now more important than ever to keep accurate inventory of plates/tabs and report any lost or stolen plates. More information about this and other renewal details will be provided by MADA later this month. If you have questions, please contact Jean Quinn at jquinn@michiganada.org or call (800) 292-1923.

NADA Market Beat: New Light-Vehicle Sales Continue to Recover

August's SAAR of 15.2 million units marked a 4.8% increase from July's SAAR of 14.5 million units but is down 11% compared with August 2019.

New light-vehicle sales continued to recover in August from April lows. August's SAAR of 15.2 million units marked a 4.8% increase from July's SAAR of 14.5 million units but is down 11% compared with August 2019. And through eight months of 2020, new light-vehicle sales were off by 20.7% compared with the same period in 2019. Raw sales volume in August 2020 totaled 1.33 million units, representing a decline of 19.1% from August 2019. However, there were two fewer selling days last month than in August 2019, which also included the Labor Day sales weekend. While the differences in the sales calendar contributed to a lower raw volume of sales in August, the sale volumes this September will likely see a boost compared with September 2019.



After adjusting for daily selling rates, retail sales volume in August was off by 10% year over year, according to Wards Intelligence. Since April, fleet sales volume has decreased more than retail sales volume. Fleet sales fell by roughly 32% compared with August 2019. While significant, it was actually a smaller fleet sales drop than in recent months, which averaged 66% in the April-July 2020 period. Vehicles sold in August spent less time on dealer lots and had lower average discounts compared with

August 2019. According to J.D. Power, 45% of vehicles sold this August spent fewer than 20 days on the lot, up from 35% in August 2019. Average incentive spending per unit is expected to be \$4,105, down \$49 from August 2019 and \$848 from its high in April 2020.

Based on inventory levels at the beginning and end of the month, dealers turned roughly 50% of their inventory in August. OEMs have been working hard to restore production, especially in popular segments such as crossovers and pickups, but steady sales led to inventory levels rising only 0.9% throughout August. At the end of the month the industry-wide days' supply was 52 days, down from 55 days in July 2020 and 61 days in July 2019. And days' supply for the crossover, pickup and SUV segments all remain below the industry benchmark of 60 days.

These inventory constraints—coupled with low consumer confidence, persistently high unemployment and tightening credit standards—still present some economic headwinds. But we remain optimistic about the new-vehicle sales recovery for the rest of the year and have raised our 2020 forecast of new light-vehicle sales slightly, to 14.0 million units.

[View the accompanying infographic here.](#)



Ready for Some Golf with MADA and Friends?

[Register today!](#)

With the governor's newest [Executive Order 2020-176](#) in mind, additional changes have been made to the MADPAC golf outing.

The event is still on for Monday, September 28, 2020! The timeline and program have been revised.

Due to the governor's limit of 10 people at indoor gatherings, the board meeting held prior to golf has been postponed. We will reschedule in October and bring the board meeting to you through Zoom. We must also cap the playing field at no more than 100 golfers.

We will now open registration at 9:00 am, with golf beginning at 10:00 am. Boxed lunches and event gifts will be available for pick-up after golf. This takes the business out of the event and gives you more time to focus on golf and enjoy spending time with friends in Michigan's beautiful fall weather! And this event truly needs your support now, more than ever.

Through the COVID-19 pandemic and shutdown in Michigan, we learned who our legislative supporters are. They listened to us, spoke out for us and supported the needs of Michigan dealerships, our employees and our customers. These legislators and other sympathetic leaders are who we need in office in 2021.

Join us for golf, give to MADPAC and help us work together to maintain a strong presence at the Michigan Capitol.

REVISED: SCHEDULE of EVENTS

~~MADA board meeting~~ (CANCELED due to Gov.'s EOs)

9:00 am ~ Registration opens (remember your mask!)
practice tee opens and boxed breakfast available

10:00 am ~ Shotgun start

boxed lunch, gifts & prizes at the conclusion of play

Articles You May Find Interesting



Ford notifies U.S. workforce of buyout program; 1,400...

Ford Motor Co. is launching a voluntary buyout program with the goal of cutting 1,400 white-collar jobs, the company told all of its U.S. employees on Wednesday. The Dearborn automaker's workforce



Employees' Personal Travel Raises COVID-19 Concerns

There is no doubt the summer of 2020 has been memorable, but likely not for overseas jaunts or exotic vacations. Although the CDC recently relaxed its COVID-19 guidance regarding quarantine

received an email from Kumar Galhotra,
president...

[Read more](#)
www.detroitnews.com

after travel, it still recognizes: "Travel
increases..."

[Read more](#)
www.fisherphillips.com

Associate Member Highlight

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- [Coronavirus Outbreak: What You Need to Know](#)
- [Effects of Pandemic Isolation on Mental Health](#)

MADPAC Golf Outing Monday, September 28, 2020

Remember: shotgun start at 10:00 am!

REVISED: SCHEDULE of EVENTS

~~MADA board meeting~~ (CANCELED due to Gov.'s EOs)

9:00 am ~ Registration opens (remember your mask!)
practice tee opens and boxed breakfast available

10:00 am ~ Shotgun start

boxed lunch; gifts & prizes at the conclusion of play

We hope to see you soon!

There are a few open spots in our 2020 MADPAC golf outing that we need to fill. As you know, this is a big legislative year and we really need more dealers and staff like you to get involved with MADPAC.

The past six months have been challenging for everyone, but we are looking forward to having fun on the course with friends and colleagues!

[A golf registration form is available here](#) Please invite three friends to join you for golf, give to MADPAC and help us work together to maintain a strong presence at the Michigan Capitol!

New from MIOSHA: Ambassador Program Launches for Workplace Safety Guidelines



A new MIOSHA Ambassador Program offers education and one-on-one guidance to help businesses understand regulations and Executive Orders on workplace safety. Ambassadors will visit businesses statewide to offer education and support, with a focus on workplaces with a higher risk of community transmission. That includes bars, restaurants, retail stores, gas stations, convenience stores, bowling alleys and gyms.

Ambassadors will not propose citations or issue penalties. They will work with businesses to improve conditions and correct issues.

Ambassadors will work with business owners and managers to best implement safety directives to help ensure a safe workplace for employees and customers. Ambassadors will utilize the MIOSHA [Ambassador Assessment](#) to evaluate safety precautions.

Please read the full [press release](#) for more information on this new program.

FAQs from the Secretary of State

Question: Can I cancel a temporary registration issued through CARS e-Services?

Answer: Yes, but only within 24 hours of issuing the BFS-4



temporary registration.

The 24-hour period starts from the time of issuance and not the day of issuance. For example, if the permit was issued at 6:00 pm on Friday, it can be cancelled through your e-Services account until 5:59 pm on Saturday. [Please use these steps](#) to cancel a BFS-4 temporary registration on e-

Services.

Please note: The issuance of a BFS-4 is the last step in the vehicle delivery process. The BFS-4 permit should not be ordered through e-Services prior to completion of purchase documentation.

Question: How do I void a temporary registration issued through CARS e-Services after 24 hours?

Answer: If more than 24 hours has lapsed since the BFS-4 Temporary Registration 15-Day Permit was issued, the dealership cannot cancel/void the form and no additional BFS-4 Temporary Registrations can be issued to the vehicle.

In order to remove the BFS-4 hold on the vehicle, the dealership must apply for a resale title or complete the customer transaction.

When transfer of ownership has occurred, the application for title must be submitted to the Michigan Department of State (MDOS) within 15 days of delivery, per MCL 257.217(4). Transfer of ownership has occurred when the purchaser signs the title, or application for title (RD-108), and takes delivery of the vehicle, per MCL 257.233(9).

If the purchaser's loan approval is denied after delivery of the vehicle, the application for title must still be completed. Please see section 3.4 in [Chapter 3 of the Dealer Manual](#) on how to handle a transaction when the vehicle loan is rejected.



Back to Business Legal Alerts From Fisher Phillips

The COVID-Confusion Over Face Masks, N95s And Respirators

Sept. 9 -- One of the most common and potentially significant misunderstandings for employers is not treating a N95 mask – commonly known as a “dust mask” that can be purchased at your local hardware store – as a respirator...

[Read more](#)
www.fisherphillips.com

Caregiver COVID-19 Workplace Litigation Begins To Emerge

Sept. 10 -- A recent trend involving litigation from caregivers - employees needing to care for an individual with COVID-19 - should attract the notice of employers. What do employers need to know in order to avoid being on the receiving end of such a claim?

[Read more](#)
www.fisherphillips.com

Employers Have Questions & Concerns About Deferring Employees' Social Security Taxes



The IRS has provided guidance to employers regarding the recent presidential action to allow employers to defer the withholding, deposit and payment of certain payroll tax obligations.

The three-page guidance in Notice 2020-65 was issued to implement President Trump's executive memorandum signed on August 8.

Private employers still have questions and concerns about whether, and how, to implement the optional deferral. The President's action only defers the employee's share of Social Security taxes; it doesn't forgive them, meaning employees will still have to pay the taxes later unless Congress acts to eliminate the liability. (The payroll services provider for federal employers announced that federal employees will have their taxes deferred.)

Deferral basics. President Trump issued the memorandum in light of the COVID-19 crisis. He directed the U.S. Secretary of the Treasury to use his authority under the tax code to defer the withholding, deposit and payment of certain payroll tax obligations.

For purposes of the Notice, “applicable wages” means wages or compensation paid to an employee on a pay date beginning September 1, 2020, and ending December 31, 2020, but only if the amount paid for a biweekly pay period is less than \$4,000, or the equivalent amount with respect to other pay periods.

The guidance postpones the withholding and remittance of the employee share of Social Security tax until the period beginning on January 1, 2021, and ending on April 30, 2021. Penalties, interest and additions to tax will begin to accrue on May 1, 2021, for any unpaid taxes.

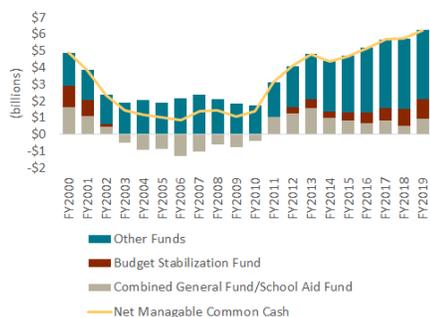
“If necessary,” the guidance states, an employer “may make arrangements to collect the total applicable taxes” from an employee. But it doesn’t specify how.

Be aware that under the CARES Act, employers can already defer paying their portion of Social Security taxes through December 31, 2020. All 2020 deferred amounts are due in two equal installments — one at the end of 2021 and the other at the end of 2022.

Many employers opting out. Several business groups have stated that their members won’t participate in the deferral...

[Keep reading at Fenner, Melstrom & Dooling, PLC](#)

Articles You May Find Interesting



State Cash Position, a Silver Lining to an Otherwise...

In a Nutshell, Michigan has improved its cash position since the Great Recession; it is the strongest it has been in decades. State's strong cash position will help officials manage through budget challenges over the next couple years. To avoid...

[Read more](#)
crcmich.org



U.S. Auto Dealer Sentiment Reaches Record High...

According to the Q3 2020 Cox Automotive Dealer Sentiment Index (CADSI), U.S. automobile dealers' view of the current automotive market shows significant improvement and has mostly recovered from the historic, pandemic-driven drops...

[Read more](#)
www.coxautoinc.com

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ADESA Flint provides over 2,000 vehicles running weekly in lane and on LiveBlock. Featuring GM (closed/open sales), Budget Truck Rental, Chrysler Capital, credit acceptance/VRS, Enterprise, Fleet Lease Disposal, GM Financial, GTB, PAR North America, U.S. Bank, U-Haul. Over 250 vehicles online on DealerBlock.

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- [Win by Losing Weight Loss Challenge](#) (Sign up your company today! The competition starts Sept. 21.)
- [Webinar: Virtual Well-Being October Challenge Kick-Off](#)

Scheduling Changes for This Year's MADA Board Meetings

MADPAC Golf Outing ~ Monday, September 28, 2020 (board meeting cancelled)

As you know, the governor's executive orders and restrictions on indoor gatherings made it necessary to reschedule the MADA board meeting typically held prior to the MADPAC golf outing. **There will be no board meeting on September 28, 2020.**

The golf outing is still on, but we remind registered golfers that the start times have moved up. Registration opens at 9:00 am and golf will begin at 10:00 am. If you have questions about the golf outing please email news@michiganada.org.

MADA Board Meeting ~ Wednesday, October 14, 2020 (10:00 am via Zoom)

We are working on details to hold the next MADA board meeting on October 14th. This meeting will be presented virtually through Zoom. More information to come.

MADA Annual Meeting ~ Wednesday, December 2, 2020

Large networking and educational events have gone virtual this year, and the MADA Annual Meeting is no different! We will miss seeing attendees in person, but are excited to make this year's event easier for more dealers and managers to "attend."

We have invited various speakers to provide a Michigan government update, insight on the national economy and the automotive market, and of course general board and association updates. Speakers and details are still being discussed; more information will be coming soon.

Thank you for working with us as we have changed meetings dates, times and formats this year. As I'm sure you are all experiencing, planning and coordinating business operations is a continuously changing target.

Question: How Can My Mechanic Renew His/Her Expiring Certification When Branch Office Appointments Are Hard to Come By?



Answer: The best option is to regularly check the [online SOS appointment search](#). Branch offices release a few same-day appointments daily around 8 am. Branches may also release next-day appointments each afternoon.

It takes a bit of persistence and scheduling flexibility, but branch office appointments are still available for residents who must complete a transaction in person. This would include mechanic testing/certification. If

the preferred branch doesn't have open appointments, MADA suggests mechanics check appointment availability at other local branches.

The SOS realizes this is not the ideal situation. Due to COVID-19 protocols for social distancing and appointment-only scheduling, branch offices must temporarily put restrictions on in-person transactions.

Note: it is important to remember that **dealer appointments are still unavailable** at this time.

Option #2: ASE testing is recognized by the State of Michigan and Michigan testing requirements may be waived for those individuals who hold current ASE Professional Series test credentials in certain corresponding categories. Get more information [here](#).

ASE has secure, computer-based test centers across the state of Michigan. If a mechanic is unable to get an appointment at an SOS branch office, [ASE testing](#) is another option. Mechanics who already have ASE certification are reminded that ASE has [automatically extended](#) any June 30, 2020 expirations to December 31, 2020.

How to Check Expiration Dates of Mechanic/Technician Licenses

When the Michigan Department of State inspects dealerships and repair facilities, license expiration dates are going to be reviewed. The state is also making sure mechanics are only performing work in which they are certified. It's a good idea for dealers to review the licenses for all mechanics to make sure their team is current.

Dealers can review the licenses displayed within the service department, or look up mechanics within [CARS e-Services](#). **From the home page (no need to log in) go to the "Additional Services" section and click "Mechanic Services."** From there, search by license number or name. A sample search is shown below. If you have questions please contact Jean Quinn at (800) 292-1923 or email jquinn@michiganada.org.

Mechanic Results Filter					
Name	Mechanic Number	License Type	License Status	Expiration	Repair Categories
CHAD [REDACTED]	M [REDACTED]	Mechanic License	Active	27-Apr-2021	HDT Brakes and Braking Systems, HDT Drive Train, HDT Engine Repair - Diesel
1 Rows					
LOGAN [REDACTED]	M [REDACTED]	Mechanic Trainee	Active	01-Sep-2022	AUTO Engine Repair, AUTO Automatic Transmission, AUTO Manual Trans and Axles, AUTO Front End and Steering, AUTO Brakes and Braking Systems, AUTO Electrical Systems, AUTO Heating and Air Conditioning, AUTO Engine Tune-Up/Performance, Pre-1973 Vehicles

The Forgotten Face of Your Dealership

Your dealership probably has a "face" you're known for. Everyone usually has a different answer. The dealer, sales team, management – I've heard them all. But one role that never seems to make the cut and is too often forgotten about is the receptionist.



Often, the receptionist is the first point of contact a customer has with your store. That first phone interaction lays the groundwork for the rest of the customer life cycle, and it's the receptionist's job to provide a memorable experience in the short seconds they're connecting with the customer. Because the receptionist is essentially a touchpoint for every customer, it's critical you provide them with the right tools to make their job easier. Their most-used tool will be your phone system. Here's what your receptionist needs in a phone system to add value to your dealership:

1) Knowing your customer. This is more than just searching for the customer in your CRM and finding the right profile. Today, knowing your customer is about having customer information front and center— before you even pick up and say hello. And this goes beyond simply name, address, and phone number. Today, knowing your customer means you know everything about them that pertains to your dealership – vehicles purchased, service work, family members, financing terms, and recent offers sent to them. Instant access to all of this and more helps the receptionist make each customer feel known.

2) Streamlined activities. Anyone can schedule an appointment or pull up an RO, but it's how quickly and

painlessly you complete the task that the customer remembers. These types of call activities should be simplified with a click of a button – not a drawn out process that requires multiple transfers or even handwritten notes.

3) Automation. The receptionist's main job is to manage phone traffic, but they could also be responsible for greeting walk-in customers and pointing them in the right direction. To minimize repetitive or situational phone calls, enable automatic features like self-service lines or automatic customer reminders. Not only do customers appreciate this type of information at their fingertips, but walking into a store and being greeted by an employee with a smile on their face, and not tied to a phone, has a lasting impression on the experience.

[Keep reading this article from Reynolds & Reynolds](#)

Articles You May Find Interesting



Labor Department Revises COVID-19 Leave Regulations...

...employers subject to the law now have clarification on a number of other obligations, thanks to a revised set of regulations released by the Labor Department. After a federal court judge recently knocked down the agency's first attempt to...

[Read more](#)
www.fisherphillips.com



The Pandemic Isn't Winning Back Vehicle Ownership...

"I don't think the desire for personal vehicle ownership ever really waned to begin with. And if no one shelved their desire to own their own cars and trucks in the first place, there's not a lot of people to "win back," even with changed...

[Read more](#)
blog.nada.org

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Paul V. Engstrom & Co., L.L.P. provides a wide range of services to the automotive industry. Our firm strives to meet each client's specific needs in planning for the future and achieving their goals in an ever-changing financial and regulatory environment.

David Orrin
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MADA has partnered with Blue Cross Blue Shield of Michigan to offer dealers a complete line of group and individual health care plans, as well as companion products such as prescription drugs, dental and vision and hearing. Call MADA at (800) 292-1923 to learn more.

- [BCBS Health Assessment. What's Your Score?](#)
- [How to Protect Kids from Cyberbullying](#)



We Will See Our MADPAC Golfers on Monday!

Tee-off is 10:00 am!

Thank you to those who registered and will be coming out on Monday, September 28 to support MADPAC. [Please see this handout](#) for reminders about check-in, golf and EO compliance.

News from the SOS: Drivers risk tickets after license, vehicle registration extension expires Sept. 30

Michiganders have less than a week to renew their expired driver's licenses, state identification cards and vehicle registrations before they will be assessed late fees and risk a ticket from police. All such credentials with expirations after March 1 were **extended by the state Legislature through Sept. 30, and no additional extension is expected.**

For driver's licenses and IDs required to be renewed in person, such as those requiring a new photo, Secretary of State offices have been offering special appointments since Aug. 24, and they continue to be available through Sept. 30. Those that don't require an in-person renewal must be renewed online or by mail. The quickest way to renew vehicle registrations is at one of the more than 120 self-service stations located across the state. The average transaction time is two minutes, and customers walk away with their tabs in hand. Vehicle registrations also can be renewed online and by mail. Branch visits are not required for registration renewals.

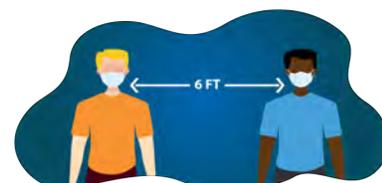
To schedule an appointment, conduct a transaction online or find a self-service station, visit Michigan.gov/SOS.



State Cites 19 Businesses, Totaling \$51,400 in Penalties for COVID-19 Workplace Safety Violations

MIOSHA has announced [another round of workplace safety violations](#) for failure to follow rules outlined in the governor's executive orders. The violations are the same as we have previously seen, including **failure to:**

- Designate a workplace COVID-19 supervisor
- Install physical barriers at a cash register



- Conduct daily health screening, including a questionnaire
- Maintain social distance where possible
- Train employees on COVID-19 guidelines
- Maintain/retain documentation for training, entry screening and contact tracing
- Post signs, markings and barriers

Inspections were initiated for a number of reasons, including:

- Complaints received, including complaints of employees not wearing face coverings
- Regular programmed inspection
- Inspections as part of the State Emphasis Program for retail business

Michigan dealers have been vigilant in following the governor's executive orders to protect employees and customers. We remind our members that various resources to keep you updated and help you comply are available within the MADA website at www.michiganada.org/faq/coronavirus. If you have additional questions please reach out to MADA at news@michiganada.org or call (800) 292-1923.



NATIONAL AUTOMOBILE
DEALERS ASSOCIATION

Auto Dealers Gather Virtually to Make Their Voices Heard in Washington

The three E's – the elections, the economy and engaging with legislators were at the forefront of day two of NADA's first virtual Washington Conference.

The Industry Was Tested—and NADA Responded

2020 NADA Chairman Rhett Ricart, CEO and owner of Ricart Automotive Group in Columbus, Ohio, kicked off day two of the virtual conference by detailing how NADA and its members “moved at the speed of light to be the first to get to the White House to advocate for the industry,” when the pandemic hit, ensuring that auto dealers were declared an “essential service” and could stay open. “When most of America was shut down, our service centers stayed open for our customers,” Ricart said, and “to keep America safely rolling.”

“NADA then shifted into hyperdrive and produced an unprecedented amount of resources,” including an entirely new COVID-19 information portal. Meanwhile, the NADA Academy turned into “a webinar producing machine,” tackling every issue facing auto dealers no matter how big or small.

“Everything NADA did was aimed at keeping dealerships alive and running so we can keep our local economies driving forward,” Ricart said. As a result, “the industry is stronger than ever, more united than ever, and NADA can get us through anything we face in the future.”

U.S. Economy is in a ‘Self -Sustaining Recovery,’ Kudlow Says

Larry Kudlow, Assistant to the President for Economic Policy and Director of the United States Economic Policy Council, provided what he termed “a brief on the optimistic side.” Kudlow noted that the auto industry itself is booming, with “sales up 74% since the April woes,” and was poised to continue to gain during the fourth quarter. He also pointed to gains in the housing, auto and retail sectors as signs that the U.S. was well into a “self-sustaining recovery.”

Kudlow touted the Administration's policies to lower taxes, roll back regulations, create energy independence and negotiate better trade agreements had bettered the economy, including increases in household income and declining income inequality. “The biggest gainers in living standards went to middle- and lower-income folks,” he said.

The economy will continue to be a bright spot if the nation sticks with these policies, Kudlow said. “As we work through this pandemic—and vaccines are in sight, case rates are down, fatalities are down, more businesses are re-opening—staying the course with these kinds of free-enterprise policies will generate the kind of continuous improvement of living standards that we saw in the first three years of the president's term,” he concluded.

‘An Election Like No Other’

With the presidential elections just six weeks away, it was no surprise that one of the most popular sessions of the day (at least, according to the live chat feature on the screen) was the annual political update by Charlie Cook and Amy Walter of The Cook Political Report...

[Keep reading at www.nada.org](http://www.nada.org)

Articles You May Find Interesting



Newsom orders 2035 phaseout of gas-powered vehicles...

Emphasizing that California must stay at the forefront of the fight against climate change, Gov. Gavin Newsom on Wednesday issued an executive order to require all new cars sold to be zero-emission vehicles by 2035 and threw his support behind a...

[Read more](http://www.latimes.com)
www.latimes.com



Get outside and celebrate the glory of Michigan's fall color

There is only one thing to do as Michigan's air grows crisp, temperatures fall and trees turn from green to glorious shades of yellow, orange and red: revel in it. Michigan's 19.3 million acres of forest land are ready to put on their annual show ...

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The Lake Agency, a division of the Lighthouse Group, is the program administrator for the Wheels Insurance Program. Since 1978 the Lake Agency has managed an exclusive garage insurance program. As a full service agency we provide for all your coverage needs including garage, open lot, health insurance, workers compensation, and life insurance.

Cort Niemi
cniemi@lakeagency.com
(810) 579-5112



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Outfitting dealerships nationwide with apparel, facemasks and customized merchandise, including this year's MADPAC Golf Outing player gifts.

Learn more >> www.rjroberts.com

Thank You For Sticking With Us As We Postponed, Rescheduled and Changed the Agenda



It's no surprise that planning in-person events this year has been a challenge. There are a lot of rules, restrictions, and attendee limits to work around. Not to mention the additional considerations to ensure a safe environment for people to participate. Fortunately we have many wonderful supporters -- golfers and sponsors -- who continued to stay involved with this year's **MADPAC golf outing** even after we changed the date, changed the time and had to play under compliance requirements.



Thank you for signing on, coming out to the course, and helping Michigan's franchised dealers.

Unfortunately we were not able to hold the regular after-golf reception and properly recognize the event winners. Please congratulate the following teams and individuals for their extraordinary golf skills! ([Printable version](#))

First Place Team: Ally Financial (score 59)

Don Kullgren
Matthew Snow
Jeffrey Thomas
Kevin Howley

Second Place Team: IGS Energy (score 60)

Dan Webster
Alex Webster
Xander Younce
Jordan Mkrtumiam

Longest Putt, #17

Tony Holland
Randy Wise Ford

Closest to the Pin, #2

Collin Malek
UHY LLP

Closest to the Pin #10, second shot

Jeff T. DeNooyer
DeNooyer Ford

Event sponsors are an important part of the MADPAC Golf Outing.
Special thanks goes out to our Ace, Eagle and Birdie sponsors.

[ACE Sponsors](#)



EAGLE Sponsors



BIRDIE Sponsors

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 Armatus Dealer Uplift
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 BMO Harris Bank
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Dealers Resources Inc.
 Merchants Bonding Company
 Michigan Automobile Dealers Association
 Michigan Retailers Processing
 Newtech Dealer Services
 Ralph C. Wilson Agency

Please also see this [event program](#) for photos and a complete list of sponsors.



Licensing Information

Please Read

Do You Have Current Documents In Your CARS e-Services Account?

- Certificate of Insurance (ACORD)
- Workers Compensation

Before the Michigan Department of State will renew your dealer license or allow you to make changes to information on your license, you must have the above information current in your CARS e-Services account.

If you try to renew online and the certificate of insurance or workers comp is outdated, you may receive an **error message**.

Questions? Email Jean Quinn at jquinn@michiganada.org or call (800) 292-1923.

Fisher Phillips: How To Handle Unprecedented Workplace Tension This Election Season

What a year! 2020 has been full of challenges, both personal and professional. Personally, each of us have our own story. Professionally, workplaces have been rocked with unprecedented turmoil as we navigate COVID-19 and the lasting impact of the social justice protest movement. And now, we will close out 2020 with a contentious presidential election.

A pandemic, racial tensions, concerns about inaccurate news, fears of election fraud, and the potential for high stakes espionage may make workplace issues seem trivial – but just wait until it's your workplace, regardless of whether you are an employee, manager, or senior leadership. You should anticipate election-related workplace issues regardless of whether your workplace remains virtual, never closed, or falls somewhere in between.

Number One Employee Misconception: “I Have Free Speech Rights!”

Many employees believe they have “free speech rights” to speak their minds – including at work. They are wrong. The First Amendment protects citizens against government action limiting speech. For private employees, very little speech is protected. Government employees have broader, but not unlimited, speech rights.

However, the First Amendment has no application to a private employer. A “private employer” does not mean a privately held company – it means all non-government employers including public, private, and not-for-profit. Employees of non-government employers do not have a “constitutional” right to speak their minds about politics in the workplace. As a result, non-government employers may generally regulate political expression as they would other forms of disruptive workplace communication. Business owners, leaders, and managers may address political discussion during working time, even in the absence of potentially offensive content...

[Keep reading at www.fisherphillips.com](http://www.fisherphillips.com)

Finding Common Ground: A 10-Point Plan



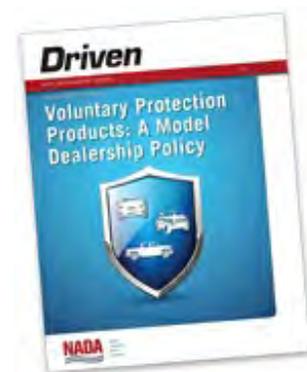
- 1) Remind all employees at all levels about your equal employment, anti-discrimination, and anti-harassment **policies**. Consider offering extra training to reinforce your message and adding specific examples of inappropriate conduct to your policies. You may find employee counseling easier if you have policy language specific to political speech.
- 2) Train your managers on how to **interrupt conversations** that may be problematic and put the focus back on business. They should emphasize productivity and business concerns rather than the nature of the speech, unless it is serious.
- 3) Teach management about the relationship between political activity and protected activity under the **NLRA**.
- 4) Evaluate your **existing** policies. Do they inadvertently infringe on NLRA rights? In particular, review your social media policy to determine if it is lawful.
- 5) Encourage employees who feel uncomfortable to **speak up**. Clearly describe multiple avenues for complaints to ensure that employees feel comfortable reporting any issues.
- 6) Remind everyone of the **consequences** of disrespectful behavior and follow through with consistent counseling and discipline.
- 7) Consider the potential impact of the increased use of **videoconferencing** and the ease of recording conversations through platforms like Zoom and others.
- 8) Check your **state and local laws** for rules about politics in the workplace. Not all states treat these issues equally.
- 9) Remind everyone that while they are entitled to their opinions, those **opinions** should generally not be expressed at work, whether virtual or in person.
- 10) Remind management about **exposure risks** if they commit a misstep, both from a legal perspective and in terms of public relations damage.

NADA's Model Dealership Voluntary Protection Products Policy

Franchised dealerships routinely offer their customers voluntary products to protect their investment in the vehicles they purchase or lease.

When offered, sold and administered in a professional and consumer-friendly manner, these voluntary protection products (VPPs) can offer customers valuable protection against unexpected and potentially costly events such as floods, hail damage, theft, vandalism, vehicle accidents, mechanical breakdowns or the customer's death, disability or unemployment.

Conversely, a dealership's VPP process that lacks these features can fail to provide this valuable protection, confuse and create a false sense of security for customers, result in litigation and/or administrative



enforcement actions against the dealership, and undermine the goodwill of the dealership in the community.

Consequently, it is essential that dealerships strive to develop a professional and consumer-friendly VPP process. [NADA's Voluntary Protection Products: A Model Dealership Policy](#), provides an optional policy template that is intended to assist dealerships in this endeavor.

The policy template generally sets forth:

- the dealership's commitment to a transparent and professional VPP process;
- procedures the dealership will adopt to ensure the VPP policy is implemented and maintained; and
- a series of actions the dealership will take throughout the lifecycle of VPPs, including those related to product selection, pricing, advertisement, presentation, sale, cancellation and, when they arise, customer complaints.

The guide and an editable MS Word version of the policy template is available to NADA members at www.nada.org/voluntaryprotectionproducts. (Your NADA login passcodes will be required.)

Articles You May Find Interesting



&

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TECHNOLOGY THAT DRIVES YOU.

Adapting Staffing Strategy to Align with New Digital...

2020 is the year that no one was expecting. For many industries, especially Retail Automotive, it has become a catalyst for change in how we all do business. What has been largely impacted for dealerships is how they support people operations...

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hireology.zoom.us



Annual Warranty Labor Rate Increase Statutory or Factory

...

Every year, as dealers begin to work on their annual labor rate submissions, many are quick to grab their policies and procedures manuals to get started. For most, it's a process that may involve filling out a competitive survey, producing a...

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dealeruplift.com

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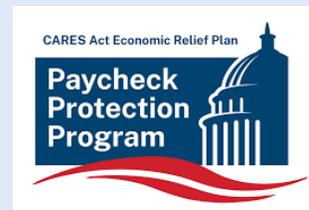
Cross-Sell

Cross-Sell tracks new and used vehicle title/registration data in 23 states, providing comprehensive monthly reports that are custom-made for each client's unique market. Our powerful auto industry reports detail sales by VIN, Make, Model, Owner City, Owner ZIP, Seller Name, Seller ZIP and Lienholder (where allowed by state).

<https://www.cross-sell.com/automotive/>

SBA and Treasury Announce Simpler PPP Forgiveness for Loans of \$50,000 or Less

The U.S. Small Business Administration, in consultation with the Treasury Department, released a simpler loan forgiveness application yesterday for Paycheck Protection Program (PPP) loans of \$50,000 or less. This action streamlines the PPP forgiveness process to provide financial and administrative relief to America's smallest businesses while also ensuring sound stewardship of taxpayer dollars.



SBA and Treasury have also eased the burden on PPP lenders, allowing lenders to process forgiveness applications more swiftly.

There had been talk about this simple form being made available for much higher loan limits. Unfortunately, it appears the SBA and Treasury decided \$50,000 in PPP loans would be the maximum.

- Click [here](#) to view the simpler loan forgiveness application.
- Click [here](#) to view the instructions for completing the simpler loan forgiveness application.
- Click [here](#) to view the Interim Final Rule on the simpler forgiveness process for loans of \$50,000 or less.

[Read more here](#)

Question #1: Can I move a vehicle for sale on one of my lots, to be displayed on a different lot I own?

Answer: Vehicles cannot be moved between lots without proper paperwork - even though you may own both locations.

You can move the vehicle from one lot to another only if you properly transfer the title and record it in the Police Book. The vehicle must be titled to the lot where it is displayed and sold.



Question #2: I bought a vehicle at auction and the title is in the mail. Can I display it for sale on my lot?

Answer: No. Until you are in possession of the title (not a copy), a vehicle may not be offered for sale on your lot. The same would apply for a vehicle taken in on trade.

The vehicle should have a "not for sale" sign posted in the window and be parked away from other

vehicles for sale. **Potential sales negotiations or test drives cannot take place** with customers who may notice the vehicle and be interested in purchasing it. This also holds true for digital advertising. You may not advertise a vehicle for sale unless you have the title in-hand.

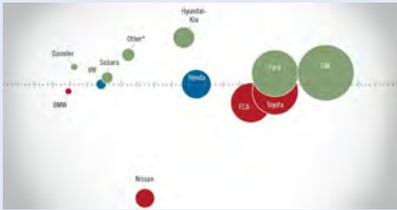
Once you receive the actual title, log it in the Police Book and only then may it be advertised and offered for sale.

A few helpful tips:

- A state inspector, with credentials and a badge, may show up unannounced and you must allow him or her access to your dealer records and inventory.
- You cannot offer a vehicle for sale if the title is missing or if you are waiting to receive it from an auction, financial institution, leasing company or other entity/individual.
- Review [Chapter 2](#), Section 2.2 of the Dealer Manual for more about Police Book records.

If you have any questions about these rules call (800) 292-1923 or mail news@michiganada.org.

NADA Issues Analysis of Third Quarter 2020 Auto Sales



Through the first three quarters of the year, new-light vehicle sales were down 19% relative to the same time period in 2019. In September, raw sales volume totaled 1.34 million units, an increase of 6.1% compared to September of 2019; the increase in September's volume was due, at least in part, to the inclusion of the Labor Day sales weekend and two additional selling days compared to the same month in 2019.

"While we have continued to experience a steady recovery for new-vehicle demand year since the lows of April, vehicle sales have remained depressed compared to 2019 given a variety of factors including inventory," said NADA chief economist Patrick Manzi. "September's SAAR registered 16.3 million units, the first time sales have topped 16 million units since February 2020. However, this is a decline of 4.3% compared to September 2019."

Despite a decline for all car segments, sales of pickups, SUVs and crossovers all posted gains relative to this time last year. In the first three quarters of 2020, three out of every four vehicles sold were light trucks.

NADA sees strong retail sales despite an environment with falling manufacturer incentives, after peaking in April at \$4,981 per unit. J.D. Power estimates that average incentive spend per unit will drop to \$3,964, the first time since June 2019 when incentives have fallen below \$4,000 and down approximately \$300 compared to September of last year.

Interest rates have also decreased, while average monthly payments have increased...

[Keep reading at nada.org](http://nada.org)

[Also see NADA's Market Beat, September 2020](#)

CVR quarterly inventory count is Tuesday, October 13

Dealers are reminded to submit the Q4 inventory count on Tuesday, October 13, 2020, before processing any new CVR transactions. Dealerships are not able to process in the system until the quarterly count has been submitted.



- 1) Print an inventory available report from the CVR computer
- 2) Verify the report by physically checking the actual inventory to ensure that each plate or tab/permit is present. Sealed boxes do not need to be opened, simply check the labeling on each package.
- 3) If there are no discrepancies between the printed report and the physical verification, type the inventory numbers (beginning, ending and totals for plates, tabs and permits) into the CVR system. Remember to enter each line separately.
- 4) Submit the report

Dealers who do not submit the required information are in violation of their agreement with the Michigan Department of State and risk losing the ability to use the CVR program. If you have questions, or if you are having difficulty meeting your requirements, please contact your CVR account representative or call

Articles You May Find Interesting



A Missed Opportunity to Start Cleaning Up the Michigan...

The legislatively initiated constitutional amendment that will be submitted to the voters as Proposal 2020-2 would amend Article I, Section 11, which includes inoperative language. The proposal does nothing to delete that inoperative language....

[Read more](http://crcmich.org)
crcmich.org

	Total Cost	Monthly Financed Cost	Monthly Payment
Monthly Pmt w/o VPP			\$ xxx
Product A	\$ xxx	\$ xx	Mo. Pmt+A
Product B	\$ xxx	\$ xx	Mo. Pmt+B
Bundle of A+B	\$ xxx	\$ xx	Mo. Pmt+A+B

Dealerships with Protection Product Marketing Mistakes...

When the regulators attack a dealership, they generally use one or more of three claims: The dealership claimed the VPP was required; The dealership misrepresented the cost of the VPP; or The dealership misrepresented the value of the VPP...

[Read more](http://www.counselorlibrary.com)
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ADM Capitol Corner

Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC.

- 3 Charged With Plot To Kidnap, Try, Execute Governor
- Biden, Harris Check In On Whitmer
- Cap Commission, Shirkey Punt Guns-In-Capitol Debate Back To Each Other
- Top 10 House Districts Most Likely To Flip

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Armatus Dealer Uplift is an industry leader specializing in Retail Warranty Reimbursement submissions. Armatus' proprietary software and data management techniques offer clients the only true mark-up and labor rate optimization process in the market. The Armatus team has extensive retail automotive experience, superior knowledge of manufacturer protocols, and has provided the framework for 10 retail warranty reimbursement statutes.



Historically, buying and selling wholesale vehicles is time consuming, expensive and loaded with risk. Our 20-minute online auction provides immediate access to thousands of dealers while delivering trusted, ACV-backed vehicle condition reports.

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Cross-Sell tracks new and used vehicle title/registration data in 23 states, providing comprehensive monthly reports that are custom-made for each client's unique market. Our powerful auto industry reports detail sales by VIN, Make, Model, Owner City, Owner ZIP, Seller Name, Seller ZIP and Lienholder (where allowed by state).

<https://www.cross-sell.com/automotive/>

Renewing Your Dealer License Online Through CARS e-Services

Do you have a P.O. Box? You may need to do this...

The Michigan Department of State is working on a "fix" for an issue with renewing through CARS e-Services when there is a P.O. Box pre-filled in the dealership's address.

Currently, the system will not allow a dealer to continue with the renewal if there is a P.O. Box listed in the dealership address section. If a dealer clicks "no," indicating no address change, a yellow pop-up reads "PO Boxes and Rural Route addresses are not permitted." (see below)

Home > Dealer > Dealer License Renewal

Dealer License Renewal

BUSINESS INFORMATION | **DEALERSHIP**

DEALERSHIP

Contact

Address

Address

Has your Dealership Address changed?

Dealership Address

Street Unit Type Unit

Street 2

City

State Zip

Verified Address County: LIVINGSTON

PO Boxes and Rural Route addresses are not permitted.

Some dealers have tried clicking the "yes" box to change the address, which then alerts the system to request additional change of address paperwork. **Do not complete change of address paperwork!** This is unnecessary.

The proper work-around for MADA members will be to contact Jean Quinn at jquinn@michiganada.org or call (800) 292-1923. Let her know you are having an issue with renewing with a P.O. Box, provide the dealership name and license number, and she will contact the state on your behalf.

Unfortunately dealers cannot make the necessary change themselves, the state has to manually remove the P.O. Box. Only then can dealers get back into the system, add the P.O. Box to the *mailing address* section, and complete the renewal.

Reminder: Vehicle Transaction Changes

On Wednesday, Title Transfer Reverts to Flat Fee

For vehicles **DELIVERED** on or after **Wednesday, October 21, 2020**, no longer will dealers calculate a title transfer fee plus upgrade charge when transferring a customer



plate to a newly purchased vehicle. The state will revert to a flat fee for this transaction. This will eliminate the complicated "upgrade" calculation required to determine the difference in the registration fee between the old and new vehicles.

The new fee to transfer a plate to a purchased vehicle will be a flat \$15.00. This includes a \$10 transfer fee and \$5 registration fee.

Implementation

- *CVR dealers:* the new fee is already programmed and ready to go on Wednesday morning. Dealers shouldn't need to do anything additional.
- *Dealers without CVR:* please make sure your staff knows of this change and properly implements the flat fee for vehicles delivered on or after Wednesday.
- To help avoid inadvertently charging the wrong fee, the plate fee calculator within CARS e-Services will be disabled. Users will see a message notifying them of the change.

Background on this change: the plate transfer upgrade fee had been written into law for quite some time. It wasn't until the February 2019 SOS computer update that it was actually put into action. Once the upgrade was implemented, many dealers and industry groups voiced frustration with the complicated calculation and the confusion from customers about this new, "extra" fee. These industry groups then worked with the SOS and legislators to explain the issues and ultimately reestablish a flat fee that is simple to determine, more transparent and easier to explain to customers.

If you have questions please call MADA at (800) 292-1923 or email dkorn@michiganada.org.

Other news from the Michigan Department of State...

New Version of RD-108 to be Available in December 2020

The Michigan Department of State has been working with DMS providers to assist with a smooth transition as it releases a revised version of the RD-108. The new form will be available for use on December 1, 2020. Dealerships will have that month to make the transition, and the new RD-108 must be in place as of January 1, 2021. We encourage dealers to communicate with their DMS providers to develop a plan for implementing the new RD-108.

We will provide more information about the RD-108 update closer to December.

Update from the National Automobile Dealers Association...



**WE'RE BRINGING THE SHOW TO YOU
TUESDAY-THURSDAY, FEBRUARY 9-11**

While NADA was hopeful that we would be able to be together in New Orleans for NADA Show 2021, the coronavirus has persisted, and public health controls remain too restrictive to allow the Show to go forward in person.

NADA announced on Monday that they are transitioning to a virtual NADA Show on new dates: Tuesday, Feb. 9, through Thursday, Feb. 11.

NADA will bring all of the Show content directly to dealers at their home or business.

- More than 60 educational workshops and sessions;
- All of the franchise meetings with our OEM partners;
- An online NADA Expo, where business gets done;
- Networking opportunities to connect with other dealers; and
- Key news and content you've come to expect at the Show.

And without the travel cost to attend in person, NADA hopes that a far greater number of dealership employees will be able to tune in and get all the benefits the Show has to offer. Registration will open in the coming weeks. Watch for more detailed information and visit nadashow.org for frequent updates.

Question: My customer has an expired driver's license due to the COVID-19 situation. Can I still sell him a vehicle?

Answer: As of this afternoon, no. The expiration date for many Michigan driver's licenses was extended through September. If not renewed by now, the customer will need to get the license renewed before purchasing a vehicle.



However, new legislation has been introduced that would extend the validity of vehicle registration, driver's licenses and state IDs that were due to expire after March 2020. Stay tuned for updates.

In the meantime, there are still ways to get a license renewed at an SOS branch office.

- **Renewing a license or ID**

If a person must renew his or her license in person, we suggest they check **fomext-day appointments**. Next-day appointments become available at 8 am and are offered for the next day from 9-11 am. *(Note: at 8:10 am I checked availability at a Lansing location and there were seven appointments available for the next business day. By 8:25 am the appointments had been taken. Check early!)* The person must be a bit flexible with time, but appointments are available daily.

- **First-time license or ID**
- **Replace (because of loss) a license or ID**
- **Correct (because of a name change or other change) a license or ID**

Beginning Monday, Oct. 5, all Secretary of State branch offices began offering **priority driver's license and state ID appointments** for Michigan residents with these license needs. Priority driver's license and state ID appointments will be available between 3 and 5 pm Monday through Friday through Monday, Nov. 2. There are many available time spots for these license types.

How to find these online appointments?

- Go to >> <https://www.michigan.gov/sos>
- Click the "make appointment" button
- Scroll down a bit and select the "schedule an appointment" button
- Type in a zip code to look up nearby branch offices
- Click "make appointment" at the desired location
- Scroll down to "Choose a category..." and select an option, either:
 - BOOK A DRIVER'S LICENSE/ID **PRIORITY** APPOINTMENT, or
 - BOOK A **NEXT-DAY** APPOINTMENT
- Available appointments will be shown on a calendar. Pick a time and fill in the requested details.

P.S. next day appointments can also be scheduled for mechanic testing.

Michigan Ballot Proposals 2020



On November 3, Michigan voters will be asked if two statewide ballot proposals should be adopted. Proposal 1 would revise the formula for how state and local park funds from trusts can be spent to allow for more flexibility on funding park projects. Proposal 2 would add language to the Michigan State Constitution that requires a search warrant to access electronic data or electronic communications.

Full ballot wording:

Proposal 20-1

A proposed constitutional amendment to allow money from oil and gas mining on state-owned lands to continue to be collected in state funds for land protection and creation and maintenance of parks, nature areas, and public recreation facilities; and to describe how money in those state funds can be spent.

This proposed constitutional amendment would:

- Allow the State Parks Endowment Fund to continue receiving money from sales of oil and gas from state-owned lands to improve, maintain and purchase land for State parks, and for Fund administration, until its

Proposal 20-2

A proposed constitutional amendment to require a search warrant in order to access a person's electronic data or electronic communications.

This proposed constitutional amendment would:

- Prohibit unreasonable searches or seizures of a person's electronic data and electronic communications.

balance reaches \$800,000,000.

- Require subsequent oil and gas revenue from state-owned lands to go into the Natural Resources Trust Fund.
- Require at least 20% of Endowment Fund annual spending go toward State park improvement.
- Require at least 25% of Trust Fund annual spending go toward parks and public recreation areas and at least 25% toward land conservation.

Should this proposal be adopted?

- Require a search warrant to access a person's electronic data or electronic communications, under the same conditions currently required for the government to obtain a search warrant to search a person's house or seize a person's things.

Should this proposal be adopted?

America's Top Ten Most Stolen Vehicle Makes

Car thieves have a new favorite target: the Ford Full Size Pickup. According to the National Insurance Crime Bureau's latest "Hot Wheels" report, which includes crime data from across the country, Ford Full Size Pickups were the most stolen vehicle in 2019, supplanting the Honda Civic as the top target of theft.

The report examines vehicle theft data submitted by law enforcement to the National Crime Information Center (NCIC) and determines the vehicle make, model, and model year most reported stolen in 2019.

While the Ford full size pickup models are a treasured target by thieves, the 2000 Honda Civic had the most thefts by model year in 2019 followed by the 1997 Honda Accord.

Keep reading at www.nicb.org/HotWheels2019.



Articles You May Find Interesting



Payroll and HR Tasks to Complete When an Employee Leaves ...

Here are eight payroll and HR tasks you should do when an employee leaves your company to make sure the process goes smoothly.

[Read more](http://hireology.com)
hireology.com



Beautiful Michigan: Top Picturesque Locations For Fall

There's nothing quite like autumn in Michigan with its spectacular fall foliage, dramatic sunsets and crisp air that makes you want to get outside and move around. To some, fall means hot cider and apple orchards, to others it means hiking trails ...

[Read more](http://www.ahealthiermichigan.org)
www.ahealthiermichigan.org

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Put the power of Chase and one of our Commercial Bankers to work developing customized solutions for your dealership. Whether you're planning to expand, renovate, acquire or simply grow, Chase Dealer Services has answers for your commercial financing needs. Providing commercial banking, floorplan financing, commercial real estate and commercial financing.

Stephen Graham
stephen.m.graham@chase.com
(248) 816-0225



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Gregory Hoffman
ghoffman@corprmg.com
(800) 761-4546

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120
Email news@michiganada.org | Website www.michiganada.org

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor



For over 75 years, Colombo & Colombo, P.C. has been extensively involved in representing automobile dealerships and their trade associations. Many Michigan dealerships rely on us for litigation matters as well as advice on matters involving the legal aspects of operating a dealership. Our experience makes the difference.

Dealer Tabs Have Begun Shipping

The Michigan Department of State began the process of packaging and shipping dealer tabs late this week. Those with plate counts of 20+ will take longer to receive their tabs, as those will be packaged separately. Dealers can check the status of their dealer license renewal within CARS e-Services. Once the renewal has been processed and renewed, please allow at least two weeks for delivery of the license and all tabs.

Please note that **multi-year renewal** tabs are not scheduled to be mailed until after the first of January.

The state thanks dealers for their patience this year. This is a new process, some staff are working from home and mail service is often delayed. There may be instances where things take longer than anticipated.

If you have questions about plates, tabs or timing, please call Jean Quinn at (800) 292-1923 or email jquinn@michiganada.org.

Virtual Registration Now Open for NADA Show 2021

NADA is bringing the Auto Industry Event of the Year to you, **Tuesday, Feb. 9 through Thursday, Feb. 11**, which means it's now easier than ever to access all the education, networking and Expo connections you've come to expect from NADA. **We've lowered the registration cost** so that more dealership employees than ever can now attend the Show, virtually.

Dealers and dealership managers from all departments, including Sales, Parts & Service, Finance, Digital Marketing, the Body Shop and more will find relevant tools and information to help boost your business' bottom line. Register early to take advantage of all the Show has in store.



[Join the virtual experience](#) as we bring the NADA Show to you!

The history of Daylight Saving Time, from LiveScience.com
How did daylight saving time start?

Daylight Saving Time Ends
Remember to turn your clocks back on Sunday, November 1, 2020

Benjamin Franklin takes the honor (or the blame, depending on your view of the time changes) for coming up with the idea to reset clocks in the summer months as a way to conserve energy, according to David Prerau, author of "Seize the Daylight: The Curious and Contentious Story of Daylight Saving Time"

(Thunder's Mouth Press, 2005). By moving clocks forward, people could take advantage of the extra evening daylight rather than wasting energy on lighting. At the time, Franklin was ambassador to Paris and so wrote a witty letter to the Journal of Paris in 1784, rejoicing over his "discovery" that the sun provides light as soon as it rises.

Even so, DST didn't officially begin until more than a century later. Germany established DST in May 1916 as a way to conserve fuel during World War I. The rest of Europe came onboard shortly thereafter. And in 1918, the United States adopted daylight saving time.

Though President Woodrow Wilson wanted to keep daylight saving time after WWI ended, the country was mostly rural at the time and farmers objected, partly because it would mean they lost an hour of morning light. ([It's a myth that DST was instituted to help farmers](#).) And so daylight saving time was abolished until the next war brought it back into vogue. At the start of WWII, on Feb. 9, 1942, President Franklin Roosevelt re-established daylight saving time year-round, calling it "War Time."

After the war, a free-for-all system in which U.S. states and towns were given the choice of whether or not to observe DST led to chaos. And in 1966, to tame such "Wild West" mayhem, Congress enacted the [Uniform Time Act](#). That federal law meant that any state observing DST — and they didn't have to jump on the DST bandwagon — had to follow a uniform protocol throughout the state in which daylight saving time would begin on the first Sunday of April and end on the last Sunday of October.

Then, in 2007, the Energy Policy Act of 2005 went into effect, expanding the length of daylight saving time to the present timing.

Read more at livescience.com

Question: How can I assist my customer, who has an expired driver's license?

Answer: Per Public Act 241 of 2020 – which was signed into law on Oct. 28, 2020, expirations for all driver's licenses, state ID cards, and registrations for vehicles, recreational vehicles, and trailers expiring on or after March 1, 2020, will be extended through Dec. 11, 2020. The Michigan Department of State is required to waive late fees during this time.



That said, the secretary of state does not want residents to fall back on this new extension to avoid renewing their license or vehicle registration. There are many ways to renew a license and registration, both online and in-person. Secretary Benson's office has created an FAQ page regarding services during the coronavirus outbreak. If you have customers looking for more information, you may want to direct them to the SOS website at www.michigan.gov/sos or use this [direct link](#) to the FAQ page.



ADM Capitol Corner

Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC..

- Indoor Gatherings Go From 500 To 50; Bars & Restaurants Seat 6 In New DHHS Order
- Will Detroit's Past Election Woes Add To Presidential Election Uncertainty?
- Court Says No To Gun Ban At Polls Appeal; Says Voter Intimidation Already Illegal

Articles You May Find Interesting



Cox Automotive October Forecast: U.S. Auto Sales Achieve ...

U.S. auto sales for October are expected to show a still recovering market with the sales pace rising for the sixth straight month since April's historic low. The seasonally adjusted annual rate (SAAR) of sales is...

[Read more](#)

www.coxautoinc.com

Government Consolidation: A Historically Unpopular...

In a nutshell: Local government consolidation has been historically unpopular with voters, but the pandemic and financial strains facing local governments brings the issue to the forefront. Michigan has a lot of local governmental units, but when ...

[Read more](#)

crcmich.org

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Merchants Bonding Company is among the top 15 surety writers in the United States. For more than 80 years, Merchants has honed its expertise in surety, offering first-class service and a common sense underwriting approach to give our agents an edge.

Contact MADA at (800) 202-1923 for more information about dealer bonds.



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Michigan Automobile Dealers Association's

Friday Fast Facts



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Fast Facts Sponsor

Many companies are taking an opportunity before they close-out 2020, to evaluate their current retirement plan based on their recent experiences. [This link](#) will take you to CAPTRUST's 3rd Quarter Market Update with information to review budgets and important documents to make sure you have a solid foundation for your financial plan.



If you have questions about recent regulatory changes and the potential impact of both the SECURE and CARES Acts, or are simply ready to review your dealership's retirement plan, you are welcome to reach out to MADA's preferred 401k partner, CAPTRUST. Contact John Young, Senior Vice President | Financial Advisor by email at John.Young@captrust.com or call (248) 703-1385

MADA Virtual Annual Meeting

Join us on Wednesday, December 2!

With the COVID-19 environment continuing to require caution, plus government mandated gathering restrictions, MADA leadership decided the 2020 Annual Meeting would be brought to you virtually. We still have timely, informative speakers -- and now it's easier than ever to participate!

As we turn from trying to stay abreast of the continuous regulatory changes in 2020, to reevaluating operations going forward into 2021, many dealers are looking for guidance. The speakers we have planned will bring a wealth of knowledge on the political, legislative and economic outlook, which will be critical as we begin to make important business decisions.



Our first speaker of the morning will be **Patrick Manzi, Chief Economist** for the National Automobile Dealers Association. Dr. Manzi oversees all macroeconomic and automotive forecasting for NADA, and is responsible for the widely distributed NADA and ATD Data reports, which are used by auto industry analysts, dealer groups and the media. He regularly presents to diverse audiences on the state of and outlook for the automotive and franchised dealership industries.

His forecasting has proven highly accurate so this will be an incredibly valuable presentation for dealers looking ahead and making plans.

More information about the MADA Virtual Annual Meeting will be mailed to dealerships next week. To register in advance, please email dkorn@michiganada.org. The Zoom link will be emailed to those pre-registered for the meeting.

NADA Market Beat: New-Vehicle Sales Top 16 Million Unit SAAR for Second Straight Month

By Patrick Manzi, NADA Chief Economist

The new light-vehicle sales volume in October equated to a SAAR of 16.2 million units, the second straight month with a SAAR above 16 million units. This is down 0.6% from the September SAAR of 16.3 million units. Through the first 10 months of the year, new-vehicle sales are off by 17.5% from the same period last year. Raw sales volume in October totaled 1.345 million units—up about 1% from October 2019. Light trucks continue to be hot sellers, representing 77% of new vehicles sold in October and 76% of new vehicles sold so far this year.

Retail sales are expected to post year-over-year gains for the second straight month, while fleet sales are still weak. According to Wards Intelligence, fleet deliveries in October are likely to be off by 41% compared with October 2019. Fleet activity has been depressed because several major rental car

companies canceled large orders early in the COVID-19 pandemic. But this fleet demand may soon increase, as many Americans - currently wary of air travel, public transit and ride sharing - have turned to rental car companies for their travel needs. According to *The Wall Street Journal*, both Avis and Enterprise have said they plan to resume purchasing new vehicles for their fleets after having downsized earlier this year.

Manufacturers pulled back on incentive spending in October. According to a preliminary estimate from ALG, average incentive spending per unit for the month is expected to be \$3,869, up slightly from October 2019 but down a bit from September 2020. Tight inventory on dealer lots has allowed manufacturers to reign in incentive spending in recent months while maintaining strong retail sales at record-high transaction prices. We expect new light-vehicle sales to continue at levels similar to September and October for the remaining two months of the year and for sales to close out 2020 at 14.1 million units.

In Memory: Richard Joseph LaLonde



It is with sadness that we notify you of the passing of Richard Joseph LaLonde on October 25, 2020 at the age of 62. He was the dealer at the Summit Place KIA dealerships in Auburn Hills, Clinton Township and Grand Rapids. His wife, Tania currently operates the dealerships.

Mr. LaLonde is survived by his wife Tania; and children, John Lowman, Alannah Lowman, Garrett LaLonde, Jordan LaLonde, Gabriel LaLonde and Paris LaLonde.

Visitation will be held Thursday, November 12 from 3:00 - 9:00 pm at Wujek-Calcaterra & Sons Inc. (54880 Van Dyke at 25 Mile Rd., Shelby Twp.)

He will lie in state on Friday, November 13 at 11:30, with a 12:00 pm Funeral Mass at St. Isidore Church (18201 23 Mile Rd. at Romeo Plank, Macomb).

MADA extends its sincere condolences to the LaLonde family and friends.

[Online obituary](#)

From Election Day to Inauguration

Election day may be over, but for the next two months, our country will follow the procedural steps laid out by the U.S. Constitution and federal law. Following is the post-election timeline that must be followed before a president is officially sworn in.



Did you know?

In 2000, it took 35 days to determine the outcome of the presidential election. Remember "hanging chads"?

December 8 ~ State "Safe Harbor" Deadline

The soft deadline for states to resolve disputes and choose electors to be accepted by Congress.

December 14 ~ Meeting of Electoral College

Disputes must be resolved and results certified before this meeting.

December 23 ~ Receipt of Certificate of Electoral Votes Deadline

If Congress has not received a state's certificate of electoral votes by this date, it must be requested from the secretary of state.

January 3 ~ Members of the 117th Congress are sworn in.

January 6 ~ Joint Session of Congress to Count Electoral Votes
In the event of a tie, the 12th Amendment provides that the House of Representatives will choose the president and the Senate will choose the vice president.

January 20 ~ End of Current Presidential Term (Inauguration Day)

If there is no clear winner at noon, the Electoral Count Act provides for an "acting president" until disputes are resolved (the Speaker of the House is first in line).

Read more at www.uschamber.com

End-of-Year Reminders

Revised RD-108 may be transitioned in beginning Dec. 2020 --

Upcoming Virtual Programs

700Credit (Nov. 10 or 11). [A Proactive Prescreen Approach: Combining Data and Credit to Form a More Accurate Proposal](#)

DADA (Nov. 12). [DADA invites](#)

and MUST be in place by Jan. 1, 2021

Beginning Jan. 1, 2021, NHTSA **odometer rule** changes disclosure exemption from 10 years to 20 years
(more details to come)

[Michigan dealers](#) to join publisher and MIRS co-owner, John T. Reurink and News Editor and MIRS co-owner, Kyle Melinn as they talk to Kurt Berryman about the 2020 election and what it means here in Michigan.



Zurich (Nov. 17). [Embezzlement and Fraud](#)

BCBS (Nov. 19). [Resiliency in the Workplace](#)

Articles You May Find Interesting



New SBA Questionnaire Raises Stakes For ...

The Small Business Administration (SBA) has released loan necessity questionnaires that lenders must issue to over 50,000 borrowers that received \$2 million or more in funds from the Paycheck Protection Program (PPP) - and the questions indicate...

[Read more](#)
www.fisherphillips.com



Now more than ever, carefully track payroll records

The subject of payroll has been top-of-mind for business owners this year. The COVID-19 pandemic triggered economic changes that caused considerable fluctuations in the size of many companies' workforces. Employees have been laid off, furloughed...

[Read more](#)
www.fmdcpas.com

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.

DEALERLAW.COM



Bellavia Blatt provides a unique expertise and understanding of Michigan's warranty reimbursement statutes, so dealers can maximize their Retail Warranty Reimbursement. Due to the volume of work performed, the firm offers a low flat fee that is fair and competitive and is generally recouped within the first month of receiving reimbursement at retail.

Leonard Bellavia
lbellavia@dealerlaw.com
(516) 873-3000



Transforming the way the world buys, sells and owns cars. With more than 40,000 auto dealer clients across five continents, we strive to understand your needs by pairing our insights and research with your business goals - delivering inspired results to bridge the gap between consumers, manufacturers, dealers and lenders at every stage of the automotive experience.

Ernest Lattimer
ernest.lattimer@coxautoinc.com
(516) 547-2242

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Michigan Automobile Dealers Association's

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If you have questions about recent regulatory changes and the potential impact of both the SECURE and CARES

Acts, or are simply ready to review your dealership's retirement plan, you are welcome to reach out to MADA's preferred 401k partner, CAPTRUST. Contact John Young, Senior Vice President | Financial Advisor by email at John.Young@captrust.com or call (248) 703-1385.



CAPTRUST

[This LINK](#) will share CAPTRUST's initial thoughts following the election last week and [this LINK](#) provides insight to a possible SECURE 2.0, a next phase of retirement plan focused regulation.

Thank You for Your Continued Efforts to Protect Michigan Residents

We thank dealers throughout Michigan who continue to advocate for health and safety through their proactive business practices. Throughout the changing government mandates and EOs you continue to follow the necessary steps to protect your employees and customers.

It has been a long, tedious nine months, but as a workforce that is essential to Michigan, we have committed to maintaining the operational changes put in place to control the spread of COVID-19.

In Governor Whitmer's Thursday press conference, she reminded Michiganders to continue wearing masks, frequently wash hands, maintain proper distance and avoid gatherings with those outside your household. The number of new positive cases and deaths is unfortunately steadily rising in Michigan. State health officials and hospitals are seeing very concerning trends. The governor and health officials are reminding businesses and residents to remain vigilant and do your part keep our families and those most vulnerable safe from this virus.

[View the Press Conference](#)

American Association of Motor Vehicle Administrators (AAMVA)

Odometer Mileage Disclosure Exemption Change

On October 2, 2019, the National Highway Traffic Safety Administration (NHTSA) issued a final rule on Odometer Disclosure Requirements. One of the most important and immediate impacts of the final rule are new requirements regarding the capture of mileage disclosure for a significant number of previously exempted vehicles. The final rule amends 49 CFR 580.17 such that a transferor or lessee must disclose odometer mileage for an expanded number of vehicles extending beyond the previous exemption for vehicles with a model year of ten years to twenty years.

This portion of the rule affects all U.S. jurisdictions regardless of their electronic titling intentions and provides an implementation methodology to incrementally expand the number of vehicles subject to odometer capture **beginning January 1, 2021**. While the original final rule included a 2020 implementation deadline, NHTSA adjusted that date to January 1, 2021, following a petition by AAMVA members.

The new 20-year odometer capture exemption requirements apply only to vehicles that are 2011 model year or newer. Vehicles manufactured with a 2010 model year or older remain exempt under the 10-year exemption.

Beginning January 1, 2021, and every year thereafter, states will be obligated to continue to capture odometer disclosures for model year 2011 and later vehicles. This type of "rolling" exemption is best

described as adding an additional model year worth of vehicles each January until the 20-year exemption is fully implemented. Prior to this final rule, beginning on January 1, 2021, model year 2011 vehicles would have been exempt from odometer disclosure requirements. Now, model year 2011 vehicles will not become exempt from the requirements until January 1, 2031. Today states are required to capture the odometer reading for model year 2011 and will now be required to continue to do so until 2031. Click here to read the full [whitepaper](#) from AAMVA.

Update to the COVID-19 Preparedness Plan

Earlier this week we sent a dealer advisory to members. The advisory included a link to the COVID-19 Exposure Prevention, Preparedness and Response Plan from Colombo & Colombo, P.C. This sample plan has since been further updated with minor revisions.

Revisions: The information under **ACT NO. 238 PUBLIC ACTS OF 2020** now has subsection headings (*Sec. 3 and Sec. 5*), plus an additional subsection at the bottom detailing what employees are exempt from a portion of the Public Act. Please see page 10 of this [Nov. 10 revision of the preparedness plan](#).

If using Colombo's template, dealers should update their dealership copy of the preparedness plan. If you have questions please contact MADA at (800) 292-1923 or email news@michiganada.org

MADA Virtual Annual Meeting

Wednesday, December 2, 2020 via Zoom

James Fackler, Director of Program Support for the Secretary of State, has signed on as a virtual speaker for our MADA Annual Meeting.

The CARS e-Services system will undergo a computer update in March of 2021. Mr. Fackler will discuss the update, which will bring new Electronic Lien Titling programming. As part of the new options, dealers will soon have the ability to manage possible dealer-to-dealer transfers. He will discuss these and other changes that will bring more information to your fingertips.



This 45 minutes session will provide important information with Q&A for title clerks and others within your dealership who handle liens or dealer trades. Dealers and staff are invited to sign up for all sessions - or just log in for the topics of interest to you!

Meeting information was mailed to dealers this week. You may also download this [event handout with registration form](#) for additional details. Dealers *and* staff are invited to listen in and participate.

End-of-Year Reminders

Revised RD-108 may be transitioned in beginning Dec. 2020 -- and **MUST** be in place by Jan. 1, 2021

Jan. 1, 2021 ~ NHTSA **odometer rule** changes disclosure exemption from 10 years to 20 years.

Effective Jan. 1, 2021 ~ owners trading in a motor vehicle receive a **sales tax credit for a vehicle's trade-in value** up to a max. of \$7,000. This is a \$1,000 increase from the 2020 max.

Upcoming Virtual Programs

NADA (Nov. 17). [Expected Election Tax Law Changes and the Impact on your Succession Planning](#)

MADA Annual Meeting (Dec. 2) [Pre-register today!](#)

BCBS (on-demand) [The power of introverts and extroverts](#)

[More educational programs](#)

Articles You May Find Interesting



The Future of the Affordable Care Act is

The future of mobility: What lies beyond COVID-19?

Over the past seven months, COVID-19-related business closures and stay-at-home orders significantly altered mobility patterns, raising questions about whether the changes in trip frequency, purpose, and mode of transportation will become...

[Read more](#)

www.plantemoran.com

Back in the...

The Supreme Court of the United States heard oral arguments today in a case that could repeal the Affordable Care Act. A sudden repeal of the ACA would be catastrophic for Michigan and the nation. Even absent a repeal of the ACA, the U.S. needs...

[Read more](#)

crcmich.org



ADM Capitol Corner

Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC..

- Khaldun: Virus Is 'Out Of Control' In MI; No New Restrictions Announced By Gov.
- COVID Hospitalizations Increasing At Record Rate

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



CENTURION INSURANCE AGENCY
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Tom Horton
tom@centurionagency.com
(517) 381-5140

David B. Parmenter & Associates, Inc.

Human Resource consulting firm offering dealer specific services, including employee handbooks, supervisory training, employee relations troubleshooting, managerial coaching for improved performance. We have provided services to franchise dealers for nearly 40 years.

David Parmenter
d-parmenter@msn.com
(248) 669-5510

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120
Email news@michiganada.org | Website www.michiganada.org

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor



CAPTRUST

With 2020 in the rearview mirror, what does 2021 have in store for plan sponsors? Join CAPTRUST for a deep-dive [conversation on Dec. 3](#) with experts regarding policy changes from the Biden administration, current trends on target date and capital preservation funds, participant financial wellness, and the latest legal and regulatory updates. Some additional topics include:

- the rising cost and scrutiny of fiduciary insurance;
- the impact of recordkeeper consolidation; and
- the ins and outs of lifetime income.

If you are ready to review your dealership's retirement plan, you are welcome to reach out to MADA's preferred 401k partner, CAPTRUST. Contact John Young, Senior Vice President | Financial Advisor by email at John.Young@captrust.com or call (248) 703-1385

MADA Virtual Annual Meeting

Pre-registration is required.

Please RSVP by Nov. 25, 2020.

Wednesday,
December 2, 2020
10am - 12:30pm



Wow! What a great registration response we have had to this year's **MADA Virtual Annual Meeting!** Thank you to all the dealers and numerous staff who have already pre-registered. Dealers are looking for guidance, and this program will provide insight you need to keep moving ahead into a new year, plus details about upcoming changes to your CARS e-Services account.

Thanks to the convenience of Zoom meetings, the 2020 Annual Meeting is open to all members (dealers, staff and sponsors). Attendees can watch the full program, or just log in for the session(s) of interest to you. *Please note the following schedule is tentative and may be slightly revised to accommodate a special guest speaker, to be announced.*

MADA Virtual Annual Meeting

Wednesday, December 2, 2020 via [Zoom](#)

Pre-registration Required

10:00 am ~ Patrick Manzi Chief Economist at NADA

This spring, Michigan experienced a two to three month standstill in vehicle sales, but the last few months have been looking brighter. Dr. Manzi will provide insight on current and upcoming economic factors, and what he sees for the national automotive forecast.

11:30 am ~ Association Update

In continuing the trend this year, the virtual board meeting and annual meeting business will be condensed to make good use of your time.

11:45 am ~ Kurt Berryman ADM, LLC Legislative Director

10:45 am ~ James Fackler
Director of Program Support for the SOS
In mid-March 2021, MDOS will implement Electronic Lien and Titling with an update to its CARS e-Services system. This discussion will include how dealers can purchase and sell vehicles with an electronic lien.

Great opportunity for your operational staff to hear the updates first-hand!

Kurt has been asked to cover a crazy, chaotic year at the Michigan Capitol and his thoughts on what we are going to see in Michigan after a highly contentious election. He's going to have a lot to say -- so listen carefully because it's always informative!

Bonus Speaker (Time TBD)
Michigan Government

We will also have a speaker from the Michigan government to provide thoughts on the past year.

Pre-registration is required. This allows us to formally register you in our system, keep an attendance count, send meeting updates and provide additional presentation content after the event. You are welcome to forward this [informational handout with registration form](#) to staff members within your dealership who may benefit from the program.

New RD-108 -- Coming Dec. 1, 2020



Important Update

Please Read

The Michigan Department of State has revised the RD-108. The new form and details of the change have been communicated to DMS providers.

Dealers may begin using the revised RD-108E beginning Dec. 1, 2020 -- and it MUST be in place by Jan. 1, 2021.

Dealers should communicate with their DMS providers to make sure programming will be complete for the form by this date. If using a local printer, the form will be available on the state's website on Dec. 1. (MADA will include a link to the new version in a future *Fast Facts*.)

Also note that with this RD-108 revision, there will no longer be two versions of the form. The new form will be labeled at bottom with *RD-108E (Rev. 12/1/20)*, and will be used by CVR and non-CVR dealers.

- A detailed video walk-through of the changes is available [here](#).
- A SAMPLE of the new RD-108 is [here](#). This sample is for advance viewing only.

Temporary Branch Office Closures

There have been a few temporary SOS branch office closings in recent days due to COVID-19 (and power outages). We remind dealers that in the event of a person testing positive for COVID-19 after being in an SOS branch office, customers and businesses will be directed to use a nearby branch office during the closure. This could be due to an employee testing positive, or a customer who visited the branch.



Dealers have been receiving email notifications of closings when this happens. However, if you prefer to check for branch closings, you can do so through the [SOS Branch Office Locator](#). Branch office alerts/closings are listed on this web page.

Dealer work currently at a closed branch will be sent to neighboring branches to be processed*. When dealer work is transferred to a different branch, the Secretary of State's office will contact the dealership once the paperwork is complete and ready to be picked up.

***Note:** if a dealer pays by CASH, the transaction must remain at the original branch until it reopens.

Reminder - Dealer License Renewals. Just a quick reminder that dealer license renewals should be submitted by this time. This allows the state adequate time to review, process and approve license renewals prior to the expiration date. If your license expires on Dec. 31, 2020 and you have not completed your renewal (either online or by mailing to MADA), please do so next week. Additional information from MADA is available [here](#).

Renewing Your Dealer License Online Through CARS e-Services

Do you have a P.O. Box? You may need to do this...

The Michigan Department of State is working on a "fix" for an issue with renewing through CARS e-Services when there is a P.O. Box pre-filled in the dealership's address.

Currently, the system will not allow a dealer to continue with the renewal if there is a P.O. Box listed in the dealership address section. If a dealer clicks "no," indicating no address change, a yellow pop-up reads "PO Boxes and Rural Route addresses are not permitted." (see below)

The screenshot shows a web form titled "Dealer License Renewal" with a navigation breadcrumb: Home > Dealer > Dealer License Renewal. The form has a sidebar with tabs: BUSINESS INFORM..., DEALERSHIP (selected), Contact, and Address. The main content area is under the "DEALERSHIP" tab. It includes a "Has your Dealership Address changed?" question with "Yes" and "No" buttons. Below is the "Dealership Address" section with fields for Street, Unit Type, Unit, Street 2, City, State, and Zip. A yellow error message box is overlaid on the Street field, stating "PO Boxes and Rural Route addresses are not permitted." The "Verified Address" field shows a P.O. Box address in Brighton, Michigan.

Some dealers have tried clicking the "yes" box to change the address, which then alerts the system to request additional change of address paperwork. Do not complete change of address paperwork! This is unnecessary.

The proper work-around for MADA members will be to contact Jean Quinn at jquinn@michiganada.org or call (800) 292-1923. Let her know you are having an issue with renewing with a P.O. Box, provide the dealership name and license number, and she will contact the state on your behalf.

Unfortunately dealers cannot make the necessary change themselves, the state has to manually remove the P.O. Box. Only then can dealers get back into the system, add the P.O. Box to the mailing address section, and complete the renewal.



Question: **MIOSHA rule 5(8)** states an employer shall create a policy prohibiting in-person work for employees to the extent that their work activities can feasibly be completed remotely. *What type of policy is required?*

Answer: MIOSHA will accept a written policy which indicates that employees are not to perform in-person work activities where the work activity can be feasibly be completed remotely.

- Employers are obligated to demonstrate infeasibility of remote work. *(Note: for dealership employees, the inability to work remotely may be due to job responsibilities involving protected data that cannot be accessed remotely.)*
- Employers should include in the remote work determination information which covers at least:
 - Which positions/classifications report for in-person work and why they must be physically present in the workplace;
 - Reasons that this work cannot be performed remotely, this must include enough specificity to show this analysis has been performed.
- This written policy may be part of the employer's COVID-19 preparedness and response plan. It does not have to be a stand-alone document.

[See other workplace safety FAQs from MIOSHA](#)

Also from MIOSHA...

Businesses across the state can now [schedule free COVID-19 safety consultations](#) as a part of the new Ambassador program partnership with NSF International and the Michigan Occupational Safety and Health Administration (MIOSHA). Ambassadors are conducting outreach to statewide businesses to offer education and support to implement regulations on workplace safety. **Ambassadors will not propose citations or issue penalties.** [Read more.](#)

UIA Update: Workers returning to unemployment should reopen their previous claim

In a Nov. 17 press release, the Unemployment Insurance Agency (UIA) provided guidance to workers and employers who may be affected COVID-19.

Reopening Unemployment Claims

Michiganders who were on unemployment, went back to work, and are now temporarily unemployed again due to COVID-19 can reopen their claim online.

Tips to reopening an existing claim:

- Do not create a new account. Use the same MiLogin and MiWAM username and password used previously.
- Reopen a claim on the first day of unemployment or reduced work hours and wages.
- Have the Employer Account Number (EAN) or Federal Identification Number (FEIN) available. It may be provided by your employer or found on an employee's W-2.
- Payments will be made using the same payment method previously selected.
- Claimants should read and respond to all requests for information to avoid payment delays.
- When certifying for benefits, be sure to report your gross earnings (amount before taxes and other deductions) in the week in which they were earned, not when you were paid.
- After you have completed your claim, a confirmation page will display the date of your next certification, please take note.

More information on filing or reopening an unemployment claim, including FAQs, tutorial videos and other resources are available at [Michigan.gov/UIA](#).

Read the complete UIA press release [here](#).



ADM Capitol Corner

Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC.

- Wentworth Has No Political Plans Past Speaker
- Road Study: Michigan is Not No. 1
- GOP Wayne Canvassers Change Their Minds; SOS Says It's Too Late
- COVID Claims OTR Episode

End-of-Year Reminders

Revised RD-108 may be transitioned in beginning Dec. 2020 -- and **MUST** be in place by Jan. 1, 2021.

Jan. 1, 2021 ~ NHTSA **odometer rule** changes disclosure exemption from 10 years to 20 years.

Effective Jan. 1, 2021 ~ owners trading in a motor vehicle receive a **sales tax credit for a vehicle's trade-in value** up to a max. of \$7,000. This is a \$1,000 increase from the 2020 max.

Upcoming Virtual Programs



(Nov. 24) DADA invites dealers to [register for the next "Q'd Up Live" virtual legislative presentation with State Rep. Matt Hall.](#)

Rep. Hall was first elected in Nov. 2018 to serve the 63rd House District, consisting of

south and central Calhoun county and eastern Kalamazoo county. He will serve in a leadership role as Majority Caucus Chair in 2021.

BCBS (Dec. 1) [Self-care for the HR professional](#)

Plante Moran (Dec. 1 & 3) [4-part 2020 year-end webinar series](#)

Michigan is scheduled for a **minimum wage increase** on Jan. 1, 2021, but it's [tied to an unemployment rate calculation from the previous year](#) (which has not yet been calculated). MADA is watching this issue and will report to dealers when we hear more.

Employers Tax and Wage Webinar Series (Dec. 7)
Presented by MI Dept. of Treasury and U.S. DOL

- [Minimum wage, overtime and youth employment topics](#)
- [FMLA, paid medical leave and prevailing wages on state projects; COVID-19 pandemic measures](#)

[More educational programs](#)

Articles You May Find Interesting



NADA Announces 4th Annual Women Driving Auto Retail...

2020 has been a year full of uncertainty for the country given the coronavirus pandemic. NADA knows that dealers across the country have been impacted and have adapted quickly to operating in the new environment, and we want to know how women...

[Read more](#)
blog.nada.org



Newly Enhanced COVID-19 Litigation Tracker Reveals...

Smaller employers are in far greater danger of being the targets of COVID-19 workplace litigation, as are healthcare employers and other businesses requiring an in-person workforce -- Fisher Phillips uncovered in its latest upgrades to the firm's...

[Read more](#)
www.fisherphillips.com

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Serving Michigan dealerships for more than 75 years, Lewis & Knopf CPAs, P.C. offers accounting, assurance, and business consulting services. Learn more here.

Greg Waller
gwaller@lewis-knopf.com
(810) 238-4617



With 30 years of experience in the energy industry, the IGS family of companies provides natural gas, electricity, solar, LED lighting solutions and alternative fueling options to over one million customers across the country. As the preferred energy partner to the MADA, IGS is focused on helping members make the best energy decisions for their business.

Taylor Rex
trex@igs.com
(614) 659-5135

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

H A P P Y
Thanksgiving!

On behalf of the Michigan Automobile Dealers Association staff and leadership, we hope you have a wonderful, safe and healthy Thanksgiving. We have a lot to be thankful for in this business and it is a great time to reflect and show our appreciation for others.

P.S. With holidays, vacation days and time off, we realize some people may overlook a week of Fast Facts. Taking that into consideration, some of the content may be repeated.

MADA Virtual Annual Meeting

Pre-registration is required.

Please RSVP by Nov. 25, 2020.

Diamond Sponsors...



Wednesday,
December 2, 2020
10am - 12:30pm



Dealers are looking for guidance to move beyond the COVID-19 environment. This program will provide insight you need to keep moving ahead into a new year, plus details about upcoming changes to your CARS e-Services account.

Thanks to the convenience of Zoom meetings, the 2020 Annual Meeting is open to all members (dealers, staff and sponsors). Attendees can watch the full program, or just log in for the session(s) of interest to you. Please see this handout for an agenda and speakers.

MADA Virtual Annual Meeting

Wednesday, December 2, 2020 via [Zoom](#)

Pre-registration Required

Special Guest Speaker Announced

Speaker of the House, Lee Chatfield, has confirmed he will join us to speak during the Annual Meeting. Speaker Chatfield will update dealers and staff on the current state of affairs, reflect on his tenure as Speaker, and talk about the Lame Duck session. He is scheduled to speak around 11:30 am.



Reminder to Pre-register! ([See page 2 for registration](#))

The Zoom link and updated agenda will be emailed on Monday

Pre-registration allows us to formally register you in our system, keep an attendance count, send meeting

updates and provide additional presentation content after the event. You are welcome to register others within your dealership who may benefit from the program. (While pre-registration by end of business today would be appreciated for planning purposes, we are still able to accept new registrations on Monday.)

NADA Petitions Treasury for LIFO Relief

Many franchised new-car and -truck dealerships using the last-in, first-out (LIFO) accounting method are experiencing a severe decrease in new-vehicle inventory that could cause them to incur significant tax liability as a result of "LIFO Recapture." NADA today sent a [letter to the Treasury Department](#) requesting that it exercise its authority under the Internal Revenue Code to allow such dealers to elect to replace their new-vehicle inventories over a three-year period. Treasury may exercise this authority when a "major foreign trade disruption" has occurred that makes the replacement of inventory during the tax year difficult or impossible and other conditions are met.



The letter explains that a series of government actions to contain the spread of the coronavirus caused a major foreign trade disruption to occur.

While NADA will advocate in earnest for this extraordinary form of relief, dealers should not assume that Treasury will grant it. In order to help dealers identify potential approaches to managing the tax consequences of LIFO recapture, **NADA has arranged for the dealer accounting firm Crowe to present a [webinar](#) on the topic on Tuesday, Dec. 8, at 1 pm ET.**

New RD-108 -- Coming Dec. 1, 2020

The Michigan Department of State has revised the RD-108. The new form and details of the change have been communicated to DMS providers.

Dealers may begin using the revised RD-108E beginning Dec. 1, 2020 -- and it MUST be in place by Jan. 1, 2021.

Dealers should communicate with their DMS providers to make sure programming will be complete for the form by this date. If using a local printer, the form will be available on the state's website on Dec. 1. (MADA will include a link to the new version in a future *Fast Facts*.)

Also note that with this RD-108 revision, there will no longer be two versions of the form. The new form will be labeled at bottom with *RD-108E (Rev. 12/1/20)*, and will be used by CVR and non-CVR dealers.

- A detailed video walk-through of the changes is available [here](#).
- A SAMPLE of the new RD-108 is [here](#). This sample is for advance viewing only.

Question: If an employee claims that they are medically unable to wear a face covering, what documentation or standard should the business owner/manager apply to verify that?

Answer: If an employee reports to the employer that he/she has a medical condition that makes it so he/she cannot wear a face covering, this would trigger the business' obligation to engage the reasonable accommodation evaluation process outlined by the ADA. Under the ADA, **an employee would be expected to present medical documentation from a medical provider** regarding his/her medical condition and a restriction of being unable to wear a face covering.



The plain language of Emergency Rule 7(5) & (6) does not contain an exception to the requirement that employees wear a face covering. However, employers have an additional obligation to adhere to the Americans with Disabilities Act (ADA).

Per the ADA process, if the employee provides a legitimate medical reason for not being able to wear a face mask or covering, reasonable accommodations could include the following:

- Providing the employee an unpaid leave of absence until face masks or covering are no longer required at work.

- Allowing the employee to work remotely; or
- Providing an alternative face mask or covering that is allowed by the employee's medical condition.

In order to avoid MIOSHA enforcement action for an employer's failure to protect workers from exposure to COVID-19, MIOSHA would require that the employer be able to show documentation that the employer has adhered to the ADA requirements by obtaining the medical documentation, including work restriction, from the employee to support the medical inability to wear a face covering. If an alternative type of covering were authorized for use by the employer as a reasonable accommodation under the ADA, MIOSHA would also expect that the employer provide documentation to indicate it has:

- A.) Authorized the alternative covering for the employee as a reasonable accommodation under the ADA
- B.) Evaluated the use of the alternative covering in the context of its impact on employee risk to exposure to COVID-19 under its preparedness and response plan.
- C.) Performed any otherwise required hazard and PPE assessments related to the employee's use of the alternative covering.
- D.) Determined that the wearing of the alternative type of covering does not create a hazardous exposure to the employee which has not already been addressed.

[See other workplace safety FAQs from MIOSHA](#)

Also from MIOSHA...

Businesses across the state can now [schedule free COVID-19 safety consultations](#) as a part of the new Ambassador program partnership with NSF International and the Michigan Occupational Safety and Health Administration (MIOSHA). Ambassadors are conducting outreach to statewide businesses to offer education and support to implement regulations on workplace safety. **Ambassadors will not propose citations or issue penalties.** [Read more.](#)

License Renewals and Insurance

A current copy of your dealership's certificate of liability insurance (ACORD) must be in your e-Services account at all times. To make one less step for yourself at renewal, the state suggests that dealers ask their insurance provider to **make the "State of Michigan - Business Licensing Section" a certificate holder**. This way, the insurance company will send updates to the state, which ensures the information stays current in your e-Services record.

The state cannot make **any** changes throughout the year without a current ACORD on file.

- Need to report a lost/stolen plate?
- Time to renew your repair facility license?
- Have an officer change?
- *You need a current ACORD on file.*

The same applies for Workers' Compensation. This file must be current in your CARS e-Services account. (Note: most MADSIF dealers expire 1/1/21.)

Year-end Tax Planning: Resources for Dealers

With COVID-19, stimulus packages and the possibility of tax law changes in 2021, dealers have a lot to consider in their year-end tax planning. As you are making plans, following are some resources from MADA associate members that may be helpful.



Fenner, Melstrom & Dooling, PLC

- [2020-2021 Tax Planning Guide](#)
- [Auto Dealer's Year End Checklist](#)
- [COVID-19 Updates](#)



Plante Moran

- Nov. 18 ~ [2020 Year-end tax planning considerations for auto dealers](#)
- Nov. 20 ~ [New guidance clarifies the timing of PPP-related expense deduction disallowance](#)

- [2020 year-end webinar series](#) (held Dec. 1 and Dec. 3)
- [CARES Act COVID-19 resource center](#)



UHY, LLP

- [Economic Update Webinar: Are We There Yet?](#) (held Dec. 16)
- [Year-end tax considerations](#)

ADM Capitol Corner



Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC.

- Enbridge Files Suit To Block Shut-Down Of Line 5
- James Concedes To Peters, Sends Him Bottle Of Johnny Walker Blue Label
- Shinkle Decries 'Antifa'-Like Intimidation Tactics Prior To Canvassers Vote
- No In-Person Governor-Hosted Holiday Parties
- Consumers Net-Metering Program At Capacity, Planning To Raise Limit To 2%

End-of-Year Reminders

RD-108E (Rev. 12/1/20) **MUST** be in place by Jan. 1, 2021. [Video walk-through of changes.](#)

Jan. 1, 2021 ~ NHTSA **odometer rule** changes disclosure exemption from 10 years to 20 years.

Effective Jan. 1, 2021 ~ owners trading in a motor vehicle receive a **sales tax credit for a vehicle's trade-in value** up to a max. of \$7,000. This is a \$1,000 increase from the 2020 max.

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- [Minimum wage, overtime and youth employment topics](#)
- [FMLA, paid medical leave and prevailing wages on state projects; COVID-19 pandemic measures](#)

700Credit (Dec. 8 or 10) [Leveraging Integration to Make Every Connection with Customers Count](#)

[More educational programs](#)

Articles You May Find Interesting



Developing a Gratitude Mindset at Work | MIBluesPerspectives

In everyday life, most of us associate gratitude with saying thank you, but in the practice of well-being, it means more than that. Gratitude is an appreciation of what is valuable or meaningful and is a general state of thankfulness. Practicing...



Real Christmas trees: Which one is right for you?

Consumers still have an array of choices as supplies tighten for some Christmas tree species. While it's true that supplies of some species, particularly Fraser fir, will be tighter than in past years, consumers that want a real tree will be able ...

[Read more](http://www.mibluesperspectives.com)
www.mibluesperspectives.com

[Read more](http://www.canr.msu.edu)
www.canr.msu.edu

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Larry Ranieszki
lfr@colombopc.com

Eric Bowden
erb@colombopc.com

For over 75 years, Colombo & Colombo, P.C. has been extensively involved in representing automobile dealerships and their trade associations. Many Michigan dealerships rely on us for litigation matters as well as advice on matters involving the legal aspects of operating a dealership. Our experience makes the difference.



Retail and wholesale lending.

Dan Filbin
daniel.j.filbin@huntington.com
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Michigan Automobile Dealers Association

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor

FMD

CPAs & Strategic Advisors

To provide **tax relief to businesses suffering during the COVID-19 pandemic**, the CARES Act temporarily relaxes the limitation on deductions for business interest expense. [This article](#) explains the rules that had gone into effect under the TCJA and the favorable changes under the CARES Act.

For more information about the CARES Act and your dealership, please contact Dan Patterson at dpatterson@fmdcpas.com.

Thank you for logging in!



There were more than 200 dealers, staff, sponsors and associate members who joined us for the MADA Virtual Annual Meeting on Wednesday. While we missed seeing dealers and staff in person, we are so glad that we were able to involve more dealerships this year!

We hope everyone learned something new and that you gained additional guidance and insight to assist in your 2021 business planning.

As we mentioned previously, many sponsors financially supported our dealer events this year, despite the challenging business times. When you reevaluate vendor relationships in the future, please consider the companies that support our association and Michigan dealers. Following are the associate members that supported this year's Annual Meeting, with links to additional information.

Diamond Sponsors



Nonprofit corporations and independent licensees of the Blue Cross and Blue Shield Association

[BCBS Engage: resources to share with your employees](#)



ZURICH

[Dealership insurance and F&I](#)

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[Helping dealers save money on the products and services they use every day](#)

Colombo & Colombo

[Representing dealerships and dealer associations for 75 years.](#)

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Financial accounting, tax and business advisory services

Fast, secure electronic titling and registration solutions



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Energy options for businesses of all sizes



MICHIGAN AUTO DEALERS SELF-INSURED FUND

Self-insured workers' compensation plans for auto dealers

Silver Sponsors



Compliance, prescreen and consumer pre-qualification solutions



Providing a full range of legal services for auto dealers



From floorplan financing and facility upgrades to acquisitions and new dealerships



The roadmap to successful retail warranty reimbursement.



F&I products and various reinsurance structures



Reach potential customers with cable and digital TV advertising



Risk management solutions, healthcare, employee benefits, wealth management



401k provider and fiduciary advice



Among the top 15 surety writers in the U.S., with various bonds available through MADA's DIA.



DEALER SERVICES

Innovators in technology, consulting, financial services, and vehicle management

NOTE: dealers and staff who pre-registered for the Annual Meeting will receive follow up information next week. We are working with the speakers to get a few additional dealer questions answered.

Updated RD-108 and Floorplanning Used Cars

The Michigan Department of State has posted the new version of the [RD-108](#) (dated 12/3/20) to its website. This *one* version of the form will now be used for all vehicle transactions -- electronic and non-electronic transactions.

Dealers may begin using the new version now, and it **must** be in place by January 1, 2021. See this [video walk-through of changes](#).

Dealers have asked if the text in red at the bottom of the new RD-108 must be printed in red. While red is preferred, black is acceptable.

We have also received a few questions from dealers regarding the new section about floorplanned used vehicles.

There is a section on the new RD-108E that is for use by used vehicle dealers (Class B only) who floorplan their vehicles. Class A dealers who floorplan used vehicles **do not** need to complete this section.

This section pertains to used vehicle dealers who floorplan with lenders, when the lenders are allowed to *hold the title of the floorplanned vehicle while the vehicle is in inventory*. This provision does not apply to "A" licensed vehicles and Class A dealers do not need to include the \$100 fee.

Plate Transfer Fee
Title Fee
Title Late Fee: \$15 (\$100 for B dealer floor planned vehicles)
Sales Tax
Total - Transfer to Line 5

Late fee box reflects the \$100 late fee, for Class B dealers only on a floorplanned vehicle

Reminder! New Plate Transfer Fee In Effect

In late October, the fees for transferring a plate to a newly purchased vehicle were changed. For dealer transactions, gone is the complicated "upgrade" calculation required to determine the difference in the registration fee between the old and new vehicles.

Please be aware of these fees:

- The plate transfer fee on a vehicle purchase increased from \$8 to a flat fee of \$10, along with a \$5 transfer registration fee, totaling \$15 (no upcharge calculation is necessary).
- Title fees have not changed and will continue at the same amount. Title fees are \$15 for a vehicle purchase with no lien and \$16 for a vehicle purchase with a lien.

If you have additional questions please see this [dealer advisory](#) from October, or contact Debbie Stapleton-Korn at (800) 292-1923 or email dkorn@michiganada.org.

NADA Releases Guide on Consumer Leasing Requirements

NADA has announced the release of a comprehensive *Driven* guide on the federal disclosure requirements and limitations applicable to consumer leasing transactions. [Federal Consumer Leasing Act Requirements](#) (NADA login required), prepared for NADA by Hudson Cook consumer leasing expert Thomas Buiteweg, is a companion guide to NADA's 2018 [Guide to Federal Truth In Lending Requirements](#) (login required). The new member publication explains in detail the federal disclosures that must be presented to lessees; limitations that apply to charges for early termination, excess wear and mileage, late payments and doc fees applicable to a lessee's exercise of a purchase option; the disclosure of prior credit or lease balances; many other technical requirements; and the consequences for noncompliance.



Also from NADA...

The Federal Reserve Board and Consumer Financial Protection Bureau (CFPB) announced **"no change" to the dollar thresholds in regulations Z (Truth in Lending) and M (Consumer Leasing) for exempt consumer credit and lease transactions** for 2021. These thresholds are set pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amendments to the Truth in Lending Act and the Consumer Leasing Act that require adjusting the thresholds annually based on the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The thresholds that were set for 2020 (\$58,300) will remain the same for 2021.

Dealerships Requesting 20+ Tabs for Dealer Plates

Dealers with 20 or more dealer plates, who requested 20 or more dealer plate tabs with their license renewal, are reminded that the state must count this amount of tabs by hand. Please know that it will take a little longer for processing and mailing groups of 20+ dealer tabs. Your tabs may also be delivered in multiple shipments.

Dealerships with fewer than 20 dealer plate tabs will generally receive them sooner. These smaller counts can be generated through the state's computer system and mailed automatically.

[Additional dealer plate/tab reminders...](#)

- The allotment of dealer plate tabs for dealerships with **anactive multi-year license** will be processed after the tabs for dealership that renewed this year. The Michigan Department of State (MDOS) anticipates these will be mailed after the new year.
- As with past years, your current dealer plates will remain active through February 28, 2021.
- You will keep your current plates and tab them with the new dealer plate tabs received from MDOS. Plates can be tabbed as soon as your allotment of dealer tabs is received in the mail.
- **Please remember that the number on the existing dealer plate must be matched to the dealer tab with the same number.**
- The state asks that you wait until after the new year to request additional or replacement dealer plates/tabs. This allows the state to first focus on processing existing dealer plate and tab orders.



Helping Your Employees Stay Healthy

The CDC has said that [getting the flu vaccine is more important than ever](#) during 2020-2021 to protect yourself, your family and your community from flu. **A flu vaccine this season can also help reduce the burden on our healthcare systems responding to the COVID-19** pandemic and save medical resources for care of COVID-19 patients. If you haven't gotten your flu vaccine yet, get vaccinated now.

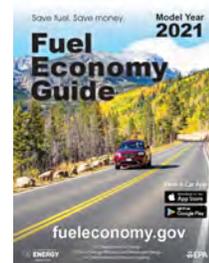


Blue Cross Blue Shield of Michigan has made it simple to inform your employees about the flu shot and resources available to them. Check out the various [Outlook email templates](#), [posters](#), [FAQs](#) and more on the [BCBS ENGAGE](#) web page. You might also want to know the [symptoms of the flu versus COVID-19](#).

2021 Fuel Economy Guide Now Available

Federal law requires new-car dealers to provide the Guide to customers upon request.

The U.S. Department of Energy and the Environmental Protection Agency have just released the [2021 Fuel Economy Guide](#). The Guide provides detailed fuel economy estimates for model year 2021 light-duty vehicles, along with estimated annual fuel costs and other information for prospective purchasers. By law, dealers must display the Guide and provide copies to customers upon request. Dealers may choose to (1) print copies to have on hand or (2) provide access to the electronic version/website on a computer or electronic device in the display area. The regulations ensure that prospective customers have ready access to fuel economy information for current model year vehicles.



[Click here](#) to view the EPA/DOE letter detailing how to make the Guide available to customers.

2021 Fuel Economy Guide

- **Enhanced Electronic Access:** The 2021 *Fuel Economy Guide* will be published in electronic format only. You can download the latest *Fuel Economy Guide* from the government's fuel economy website or visiting the [dealer page](#) and print copies from the electronic file as needed. The online Guide will be updated periodically to include newly released vehicle models and current fuel cost estimates.
- **Display Signage:** Dealers can download and print a sign/poster to place in their display area directing customers to the *Fuel Economy Guide* (this is optional and not required by law). Signage is also available on the [dealer page](#).

End-of-Year Reminders

Jan. 1, 2021 ~ NHTSA **odometer rule** changes disclosure exemption from 10 years to 20 years.

Effective Jan. 1, 2021 ~ owners trading in a motor vehicle receive a **sales tax credit for a vehicle's trade-in value** up to a max. of

Upcoming Virtual Programs

NADA (Dec. 8) NADA has arranged for dealer accounting firm Crowe to present a [webinar](#) to help dealers identify potential approaches to managing the tax consequences of LIFO recapture.

700Credit (Dec. 8 or 10) [Leveraging](#)

\$7,000. This is a \$1,000 increase from the 2020 max.

Michigan is scheduled for a **minimum wage increase** on Jan. 1, 2021, but it's [tied to an unemployment rate calculation from the previous year](#) (which has not yet been calculated). MADA is watching this issue and will report to dealers when we hear more.

[Integration to Make Every Connection with Customers Count](#)

BCBS (Dec. 15) [Set company well-being goals to thrive in 2020](#): ideas to address employee well-being through physical, behavioral, community, social and financial well-being.

[More educational programs](#)



2021 VIRTUAL NADASHOW
JOIN THE EXPERIENCE!
TUESDAY-THURSDAY • FEBRUARY 9-11

[Register Now](#)



Franchise Meeting Schedule

Just as with in-person shows, the 2021 virtual franchise meetings will offer dealers and dealership managers the chance to learn the latest updates and changes happening with their franchises directly from OEM senior leadership...

[Read more](#)
blog.nada.org



Workshops for Every Department

Now that NADA Show is going virtual, more dealers, managers and other dealership employees will have access to training and real solutions to rebuild and re-energize your stores during this constantly changing time for the automotive industry....

[Read more](#)
blog.nada.org

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



MADA partners with MRA to help dealers save money on credit card processing. MRA is one of the largest and most established credit card processors in Michigan, offering members some of



Employee-pay program offering legal assistance and identity-theft services.

the lowest rates in Michigan. [Learn more here.](#)

Chris Smith
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Dennis McVittie
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Michigan Automobile Dealers Association

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor

FMD
CPAs & Strategic Advisors

Anyone **selling a business interest, real estate or other highly appreciated property** could get hit with a substantial capital gains tax bill. One way to soften the blow — though it ties up the funds long term — is to “roll over” the gain into a qualified opportunity fund (QOF). [This article](#) explains how QOFs work and their potential benefits.

For more information about QOFs and your business, please contact Dan Patterson at dpatterson@fmdcpas.com

Fee Change for Plate Transfers with Registration Renewal

Effective December 16, 2020, dealers will begin charging a \$10.00 fee for plate transfers that are accompanied by a registration renewal.

The Michigan Department of State (MDOS) has notified us that due to legislative changes affecting plate transfer fees, as of December 16, ALL plate transfers will now be charged the \$10.00 fee.

MDOS will initiate the new fee into the CARS system the evening prior to the December 16 implementation. All transactions performed in CVR should automatically include this change and will be in place on Wednesday, December 16.

In short, beginning on Wednesday, December 16:

- Standard plate transfer - charge \$10.00 transfer fee
- Transfer with renewal - charge \$10.00 transfer fee

The \$5.00 transfer registration fee remains in place for both transactions:

- \$10.00 *plate transfer* fee should print on “Plate Transfer Fee” line on RD-108
- \$5.00 *transfer registration* fee should print on “License Plate Fee” line on RD-108

Since this change can impact RD-108s already submitted to the branch, the branch is allowed to waive the \$10.00 plate transfer fee if an RD-108 is submitted with a request to transfer and renew and the delivery date is before December 16, 2020. If the delivery date is December 16, 2020 or after, the \$10.00 plate transfer fee is due.

Note about CVR transactions: if a vehicle is delivered on Tuesday, December 15 and the paperwork completed in CVR on the 16th, the fee will be charged and there is no adjustment allowed. To avoid this issue, all paperwork for deals delivered on the 15th should be processed in CVR on the 15th so as not to be charged the \$10.00 fee.

If you have questions on this issue please contact MADA at (800) 292-1923.



Important Update

Please Read

2021 NADASHOW VIRTUAL JOIN THE EXPERIENCE!
TUESDAY-THURSDAY • FEBRUARY 9-11
Register Now

Virtual Exchange Helps Dealers Brainstorm Business Challenges

Each year at NADA Show, NADA asks members and attendees to select the topics for discussion at our

popular *Exchange* roundtable learning sessions. At NADA Show 2021, these dealer-to-dealer discussions are taking place virtually as attendees come together with NADA staff facilitators to see how fellow dealers are solving the most pressing questions in dealership business. Dealers, managers and other dealership employees won't want to miss these valuable, in-depth idea-sharing sessions with auto industry peers.

Virtual Exchange Discussion Topics

Each day will feature five separate discussions during the Virtual Exchange hours. Attendees will have the opportunity to select their preferred discussion topic and join the conversation. **Capacity for each discussion will be limited** to help promote productive and meaningful conversations on the following topics:

- Attracting and Hiring Technicians
- Create a Culture of High-Performing Teams
- Growing Service Retention
- Digital Advertising that Connects with Consumers
- Tips to Reduce Dealership Expenses

More information about the virtual NADA Show, Feb. 9-11:

- [Further Details about Virtual Exchange Discussion](#)
- [Collector Car Video Contest](#)
- [Distinguished Speaker Series Returns](#)
- [Workshops for Every Dealership Department](#)
- [Franchise Meeting Schedule](#)

NADA Show: Register

NADA Webinar ~ Thursday, December 17 | 1pm-2pm ET COVID-19: Protecting Your People and Your Business

Guarding the health of your staff and customers is vital. Its also necessary to protect your business from lost productivity, unexpected costs and overall disruption. Implementing a communicable disease program that is practical, effective and sustainable has become critically important.

Join Brandon Thomas, CEO of GMG EnviroSafe as he shares what auto dealerships can do to best manage COVID-19. He'll share the latest developments, practical guidance and comprehensive, easy-to-administer approaches. [Click here to register.](#)

Also from NADA: [2021 Parts and Accessory Predictions Webinar](#) on December 16

Create a Blue Zone Office

Following a year of emotional struggle for many people across Michigan and the country, this article from Blue Cross Blue Shield of Michigan is a nice reminder to slow down, refocus, and set new year resolutions for a happier and healthier 2021...

In 2004, Dan Buettner and National Geographic teamed with the best longevity researchers to identify places in the world where people live longer and better than the rest. They found five areas where people live to age 100 at rates 10 times greater than the rest of the world. These people did not just live longer, they lived without health problems, such as heart disease, dementia, obesity or cancer.

After many years of research, Buettner and his expert colleagues identified lifestyle choices that are common among Blue Zone regions. He labeled them the Power 9®, and they are:

Move naturally: The world's longest-lived people don't pump iron, run marathons or join gyms. Instead, they live in environments that constantly nudge them into moving without thinking about it. They grow gardens and don't have mechanical conveniences for house and yard work.

Know your purpose: Also called why I wake up in the morning, knowing your sense of purpose is worth up to seven years of extra life expectancy.

Down shift: Even people in the Blue Zones

Eat plants: Beans, including fava, black, soy and lentils, are the cornerstone of most centenarian diets. Meat—mostly pork—is eaten on average only five times per month. Serving sizes are 3-4 oz., about the size of a deck of cards.

Moderate use of alcohol: People in all Blue Zones, except Adventists, who do not drink alcohol, drink alcohol moderately and regularly. Moderate drinkers outlive non-drinkers. The trick is to drink 1-2 glasses per day with friends and/or with food.

experience stress. Stress leads to chronic inflammation, associated with every major age-related disease. The longest-lived people have a routine to shed stress. Okinawans take a few moments each day to remember their ancestors, Adventists pray, Ikarians take a nap and Sardinians do happy hour.

80% rule: Before meals Confucian mantra reminds them to stop eating when their stomachs are 80 percent full. The 20% gap between not being hungry and feeling full could be the difference between losing weight or gaining it. People in the Blue Zones eat their smallest meal in the late afternoon or early evening, and they do not eat any more the rest of the day.

Belong: All but five of the 263 centenarians we interviewed belonged to some faith-based community. Denomination does not seem to matter.

Loved ones first: Successful centenarians in the Blue Zones put their families first. This means keeping aging parents and grandparents nearby or in the home. They commit to a life partner, which can add up to 3 years of life expectancy, and invest in their children with time and love.

Find your people: The world's longest-lived people chose, or were born into, social circles that supported healthy behaviors. Okinawans created groups of five friends that committed to each other for life.

Keep reading [here](#) to learn more about Blue Zone strategies and how businesses can incorporate these strategies into the office culture.

Question: Emergency Rule 6(5) allows individuals to return to the workplace after release from quarantine or isolation. What are the current quarantine requirements?

Answer: MIOSHA has stated that, while the standard 14-day quarantine period remains and is the strategy that maximally reduces risk of post-quarantine transmission, it can be reduced to 10 days if the following two conditions exist:



- The individual does not develop any symptoms or clinical evidence of COVID-19 infection during continued daily symptom monitoring for the 10 days after the last exposure.
- Daily symptom monitoring continues through day 14 after the last exposure.
 - Persons returning adhere strictly through day 14 to all recommended, including wear a mask, stay at least 6 feet from others, wash their hands, avoid crowds, and take other steps to prevent the spread of COVID-19.
 - They should be advised that if any symptoms develop, they should immediately self-isolate and contact the local public health authority or their healthcare provider to report this change in clinical status.

With consideration for existing and potential limitations on the availability of testing resources and concerns of increased turnaround time for lab results, MDHHS is currently reviewing options for further reduction of quarantine periods based on diagnostic testing results.

- [View this FAQ on MIOSHA's website](#)
- [Additional MIOSHA workplace safety FAQs](#)

MDHHS Extends Epidemic Order Through December 20

Earlier this week, the Michigan Department of Health and Human Services (MDHHS) extended by 12 days, through December 20, the epidemic order that restricts indoor social gatherings and other group activities. The additional 12 days will allow the department to determine the full impact of the Thanksgiving holiday on the spread of COVID-19 across Michigan.

MDHHS is tracking three metrics to determine the next steps:

- Percent of inpatient beds occupied by COVID-19 patients (MDHHS wants flat or declining)
- COVID-19 cases per 1,000,000 residents (MDHHS wants declining)
- Percent of COVID-19 tests that are positive (MDHHS wants declining)

More information:

- [MDHHS Press Release](#)
- [Dec. 7 Epidemic Order](#)

- [Key Metrics for Safe Start](#)

MIOSHA Cites More Businesses for Workplace Safety Violations

MIOSHA recently announced a new round of nine business violations and fines related to COVID-19 workplace safety. Most of the inspections were initiated by an employee complaint.

Some of the violations include:

- Lack of adequate training regarding actions taken to protect employees, including site specific measures.
- Failure to routinely clean all frequently touched surfaces.
- Failure to provide paper towels for workers and visitors to wash their hands and not maintaining hand sanitizer.
- No postings on employees staying home if sick, cough and sneeze etiquette, and hand hygiene.
- Assuming and not asking if patrons not wearing masks were not medically able to tolerate a mask.
- Allowing barriers to be removed in break rooms so employees could sit next to each.

You can read the complete MIOSHA [press release](#) here.

We know dealers are enforcing the necessary health and safety standards in the workplace. Continue to follow your preparedness plan and make sure employees understand the requirements and expectations. If you have question please call MADA at (800) 292-1923.

ADM Capitol Corner



Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC.

- Rejecting Mask Mandate, Senate Would Restrict Orders To 28 Days
- Johnson: 'I Felt Like I Was Beat Up,' Gov Asks Wentworth To Reconsider
- 6 Of Top 10 Deadliest COVID Days Happened Recently; 20% Will Never Vaccinate
- High School Sports Waiting On Governor

End-of-Year Reminders

New version of RD-108 MUST be in use by Jan. 1, 2021. [Video walk-through of changes.](#)

Jan. 1, 2021 ~ NHTSA **odometer rule** changes disclosure exemption from 10 years to 20 years.

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Michigan is scheduled for a **minimum wage increase** on Jan. 1, 2021, but it's [tied to an unemployment rate calculation from the previous year](#) (which has not yet been calculated). More information will soon be available from the Michigan Wage & Hour Division.

Upcoming Virtual Programs

UHY (Dec. 16) [Economic update: Are We There Yet? Will 2021 be Better than this Mess?](#)

Effectv (Dec. 17) [Automotive Marketing Strategies from a Leader in Collector Cars](#). Staying relevant during uncertain times.

MIOSHA (ongoing) While not virtual, NSF International teamed up with MIOSHA to provide free education and one-on-one guidance to help Michigan businesses minimize COVID-19 risks. [Get more info here.](#)

[More educational programs](#)

InterStates of Mind: Rewriting the Map of the United States in the Age of the Automobile

The Eli and Edythe Broad Art Museum at Michigan State University invites dealerships to experience a [new exhibition](#) that explores our fascination with the automobile and its impact. The exhibition traces the development of the industry and interstate highway system with a particular emphasis on Lansing. Visit broadmuseum.msu.edu/visit to reserve free timed-entry tickets.

Articles You May Find Interesting



Dealers face tax effects of inventory reductions...

While demand for and sales of new vehicles are recovering from the economic effects of COVID-19, the global pandemic caused significant manufacturer supply chain and workforce disruptions that are not keeping up with the recovery. Thus, for some...

[Read more](#)
www.crowe.com



How Service Departments Can Prevail in Today's Economy

It's no secret 2020 upset many aspects of consumers' day-to-day lives, leaving a general sense of unease. Between threats of job loss, shutdowns, and the overall feeling of caution, it's hard for retailers to get consumers out of a timid mindset, ...

[Read more](#)
fuel.reyrey.com

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Our customized dealer finance solutions offer competitive interest rates and floor plan terms. Finance options include the improvement or expansion of your facilities as you grow. We strive to add compelling value to our relationship by helping your business via: succession planning, treasury management and personal banking.

Gerald Hartley
gerald.hartley@53.com
(313) 230-9037



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Serra Benefits SPECIALIZES in the design, implementation and management of employee benefits for Michigan Auto Dealers. From health, life, dental, and vision to disability and 401Ks, we handle it all. We are the only agency in Michigan that has a full and practical understanding of the needs of Michigan's Auto Dealers. We offer 24/7 availability, personal hands-on service, unique and creative solutions and much more!

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

Fast Facts Sponsor

For family business owners, among the most important issues to address is **how to best weave together a succession plan with an estate plan**. Transferring assets to the younger generation as early as possible removes future appreciation from your estate, minimizing any estate taxes. But you may not be ready to relinquish control of the business or your children might not be prepared to run it. To address this quandary, you can establish a family limited partnership or transfer nonvoting stock. Another challenge is older and younger generations may have conflicting financial needs. Solutions here may include conducting an installment sale or setting up a trust. [Read more about this topic](#), and contact Dan Patterson at dpatterson@fmdcpas.com if you would like additional insight.

FMD
CPAs & Strategic Advisors

Jean Quinn to Retire After 40 Years with MADA



After 40 years with MADA, Jean Quinn will be retiring at the end of December to travel and spend more time with family and friends. Jean started fresh out of high school, running errands and answering phones. Most of you now know her as the gal who can help with any dealership licensing issue you can think of. Jean has become an invaluable resource during her time at MADA and we know she will be greatly missed by many dealers and staff.

While it is impossible to replace Jean, Michelle Brenke will be the new membership services director and she is looking forward to continuing to help dealerships with their licensing needs. You can reach Michelle at (800) 292-1923 or mbrenke@michiganada.org.

[A goodbye letter from Jean](#)

Now in Effect: Fee Change for Plate Transfers with Registration Renewal

As we notified dealers last week, dealers should now be charging a \$10.00 fee for plate transfers that are accompanied by a registration renewal. Due to legislative changes affecting plate transfer fees, ALL plate transfers will now be charged this \$10.00 fee. (CVR transactions should automatically include this change.)

- Standard plate transfer - charge \$10.00 transfer fee
- Transfer with renewal - charge \$10.00 transfer fee

The \$5.00 transfer registration fee remains in place for both transactions:

- \$10.00 plate transfer fee should print on "Plate Transfer Fee" line on RD-108
- \$5.00 transfer registration fee should print on "License Plate Fee" line on RD-108

If you have questions please contact Debbie Stapleton-Korn at (800) 292-1923 or email dkorn@michiganada.org.

New Version of the RD-108 MUST Be in Use by Jan. 1

We remind dealers that an updated version of the RD-108 was released in



Important Update

Please Read

The Michigan Department of State has posted the [new version of the RD-108](#) (dated 12/3/20) to its website. This one version of the form will now be used for all vehicle transactions -- electronic and non-electronic transactions.

Dealers may begin using the new version now, and it must be in place by January 1, 2021. See this [video walk-through](#) of changes.

Dealer questions on the new version:

- **Does the red text at the bottom of the new RD-108 have to be printed in red?** The state has clarified that, while printing in color with red text is preferred, all black ink is acceptable.
- **Does a Class A new vehicle dealer need to do anything with the new section about floorplanned used vehicles?** This section only pertains to Class B used vehicle dealers who floorplan with lenders, when the lenders are allowed to hold the title of the floorplanned vehicle while the vehicle is in inventory. This provision does not apply to "A" licensed vehicles and Class A dealers do not need to include the \$100 fee.

Minimum Wage Increase Unlikely to Take Effect on Jan. 1



Minimum Wage & Overtime

The Michigan Bureau of Employment Relations, Wage and Hour Division has announced the state's scheduled minimum wage increase is not expected to go into effect on Jan. 1, 2021.

Michigan's Improved Workforce Opportunity Wage Act of 2018 prohibits scheduled minimum wage increases when the state's annual unemployment rate for the preceding calendar year is above 8.5%.

While Michigan's October unemployment rate continued its downward trend and is 5.5%, the annual average from January through October currently sits at 10.2% and is highly unlikely to dip below the 8.5% threshold when BLS releases the final 2020 unemployment numbers for Michigan.

If, as expected, the annual unemployment rate does not fall below 8.5%, then effective Jan. 1, 2021:

- Michigan's minimum wage will remain at \$9.65 an hour.
- The 85% rate for minors age 16 and 17 remains \$8.20 an hour.
- Tipped employees rates of pay remains \$3.67 an hour.
- The training wage of \$4.25 an hour for newly hired employees age 16 and 17 for their first 90 days of employment remains unchanged.

Michigan's minimum wage rate will next increase to \$9.87 in the first calendar year following a calendar year for which the annual unemployment rate is less than 8.5%. See MCL 408.934(1)(h).

View this [press release](#) for additional information.

More SOS Options Coming for Customers in the Spring

In addition to the electronic lien titling available through the CARS e-Services update in March 2021, the Secretary of State will also be rolling out more options for customers at the same time. This includes renewing standard and enhanced driver's licenses and state identification cards at self-service stations and online. Customers will also be able to go online to request their own driving records and, when eligible, add a motorcycle endorsement to their license.

New procedures will also be implemented:

- An electronic lien and title program will begin, making lien and title information available online for lienholders in lieu of a paper certificate of title.
- The graduated driver licensing process will be simplified to reduce customer visits to the branch.

Note for mechanics...

- Once the eServices system update is live in mid-March, mechanic testing registration will be

available online only to mechanics with a Michigan driver's license or state ID.

- However, while the new system is installed, **from Jan. 15 to Mar. 15, online registration for mechanic tests will not be available.**
- Mechanics can still take a test, but making an appointment will not be available through eServices. Mechanics will need to schedule an appointment at their branch office to register for a test. Sign up for a branch [appointment on the SOS website](#) then take the test at the branch.

Read the press release [here](#).



Reminder: SOS Branch Office Holiday Closures

SOS [branch offices will be closed](#) on the following days in honor of the Christmas and New Year's holidays.

- Christmas: Thursday, Dec. 24 and Friday, Dec. 25, 2020
- New Year's: Thursday, Dec. 31, 2020 and Friday, Jan. 1, 2021

Question: Will there be a Doc Fee increase in 2021?

Answer: It is currently under review. Once the consumer price index for 2020 is released, the Michigan Department of Insurance & Financial Services will review and make an announcement about a potential doc fee increase. This typically happens in late January (of odd-numbered years).



The current maximum allowable documentary preparation fee (doc fee) is \$220. This maximum fee went into effect in January 2019.

In accordance with Michigan's Motor Vehicle Sales Finance Act, DIFS is required to review the doc fee biennially. The review takes into account the cumulative percentage change in the consumer price index (CPI) for the two immediately preceding calendar years. This index, provided by the U.S. Department of Labor, is based on a U.S. city average for urban consumers.

Am I required to charge the maximum fee; can I choose a different amount?

Each dealer may determine the appropriate doc fee to charge based on the dealer's business model. (Not to exceed the max. allowable fee or 5% of the cash price of the vehicle, whichever is less.) However, the same doc fee should be charged across the board for all vehicle purchases, **including manufacturer promotions.**

ADM Capitol Corner



Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC.

- Miller Competitive In '22 Gubernatorial Poll
- Vaccinated Emergency Workers Could Return To Job Sooner; More Senate News
- Benson Declines House Oversight Committee Invitation
- Jobless Rate Increased In November To 6.9%

End-of-Year Reminders

New version of RD-108 MUST be in use by Jan. 1, 2021. [Video walk-through of changes.](#)

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Upcoming Virtual Programs

NADA Show (Feb. 9-11) [NADA Show 2021](#) is bigger, better and jam-packed with keynote speakers, workshops and education sessions that the entire dealership can benefit from.

MIOSHA (ongoing) While not virtual, NSF International teamed up with MIOSHA to provide free education and one-on-one guidance to help Michigan businesses

a vehicle's trade-in value up to a max. of \$7,000. This is a \$1,000 increase from the 2020 max.

minimize COVID-19 risks. [Get more info here.](#)

[More educational programs](#)

Articles You May Find Interesting



The Fed Will Keep Rates Low, But That Alone Won't Sell...

Little new information emerged from the Fed this week as they issued their official statement following their December and final meeting of the year. In fact, the only change in the official statement was more specific details about their program...

[Read more](#)

www.coxautoinc.com



Live Stage Excitement Returns to NADA Show 2021

For the last five years, NADA Live Stage has been a hub of information, education and activity related to the auto retail community and auto business professionals attending the annual NADA Show. This year, we're doing something new. Like the...

[Read more](#)

blog.nada.org

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Federated Insurance provides personal service, industry-specific coverages customized for your business, and access to outstanding risk management programs and services.

Nate Hoyle
nthoyle@fedins.com
(989) 560-2818



Manheim was established in 1945 as a wholesale vehicle auction operation. With 20,000 employees in operating locations around the globe, Manheim is the world's leading provider of vehicle remarketing services.

Melissa Robison
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Michigan Automobile Dealers Association

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Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

New RD-108 in 2021! The SOS released an updated version of the RD-108 that must be in place, effective January 1, 2021. See the "vehicle transactions" article below for additional information.



From all the staff at MADA, we wish you a very merry Christmas and joyous holiday celebrations!

Thank you for being proactive this year as we have worked through constantly evolving rules, regulations and environmental changes. Thank you for joining us for Zoom meetings, conference calls, reading our weekly newsletters and staying updated through DADA/MADA advisories. We try and report timely and important information, as well as association news and updates. We know there has been a lot of reading this year (we were sending daily updates this past spring!) - but we hope it has helped you stay current on federal and state orders and expectations that were often critical to your business operations.

The retail automotive business is fast paced and ever changing and we applaud the work that you do. It is our pleasure to serve the dealers of Michigan and we say thank you.

MADA is looking forward to closing out the COVID-19 chapter soon and returning to more dealer-focused issues in 2021.

With the knowledge that some dealers and staff have already begun their holidays away from the office, this week's newsletter is mostly reminders for business operations in the new year.

News from NADA: New COVID Relief Package Includes Several Provisions Important to Dealers



Late Monday night, Congress cleared for President Trump's expected signature* another [pandemic relief package](#) totaling \$900 billion in response to increasing concerns about the adverse impacts of the resurgence of COVID cases across the country. We have prepared a [summary](#) of the key provisions of interest to dealers and dealership employees. In particular, the stimulus legislation clarifies that expenses paid for using Paycheck Protection Program (PPP) loan proceeds are deductible even when the loan is forgiven. NADA had strongly urged Congress to restore the full deductibility of such expenses for all PPP recipients before the end of the year.

For the past few months, and more urgently in the last several days as leadership finalized the bill, NADA engaged through coalitions as well as directly with members and staff in support of provisions that enable dealers to retain working capital and keep people on the payroll. The continued health of the dealer body is essential for a broad-based economic recovery and a key driver of state and local tax revenue. Thanks to all the dealers and ATAEs who conveyed these messages to Congress during this critical time. Your

efforts, as always, are an essential part of NADA's advocacy.

*** Note: As of Wednesday morning, the pandemic relief bill is being considered for revisions, as President Trump has voiced his displeasure with certain aspects of the bill and has hinted that he may veto. NADA and MADA will keep dealers updated.**

Additional information and guidance:

- Fisher Phillips: [What Employers Need To Know About Latest Federal COVID-19 Stimulus Package](#)
- Plante Moran: [Final COVID-19 relief bill of 2020 would provide tax support and expand the PPP](#)
- UHY LLP: [\\$900B Stimulus Package Confirms PPP Expenses Will Be Deductible, Sent to Trump for Signing](#)

Timeline of Dealership Restrictions

Throughout the whirlwind of COVID-19 business closures and government orders this year, MADA has been maintaining a timeline of orders impacting Michigan dealers. We are including a [PDF of this timeline](#) for those who may find it interesting or helpful.



Dealer Plates & Dealer Tabs

The Michigan Department of State continues to process and mail dealer tabs that will be affixed to a dealer's current allotment of plates. Following are a few reminders:

- Keep your current dealer plates. These will be tabbed with dealer plate tabs so the plates can stay in use for multiple years. This new process also means it will be more important to keep track of dealer plates and report lost or stolen dealer plates/tabs.
- Dealers should tab their existing dealer plates as soon as the dealer tabs are received in the mail. **The number on the new dealer tab must be matched to the dealer plate with the same number.** (If they are incorrectly tabbed and a replacement tab is required, there is a fee for the replacement.)
- As with past years, your current dealer plates will remain active through February 28, 2021. Some dealers will not receive the dealer plate tabs until after the new year, but your current plates can still be used through February.
- The state asks that you wait until after the new year to request additional or replacement dealer plates/tabs. This allows the state to first focus on processing existing dealer plate and tab orders.

Additional note for dealers who have submitted their 2021 dealer license renewal -- but not yet received confirmation of renewal: As long as the state receives your renewal application *and fees* by the renewal deadline, you may legally continue operating in 2021. The new wall license will be mailed once the



NADA Show 2021 Will Be More Innovative Than Ever

NADA CEO and president Peter Welch sat down with Jonathan Collegio, senior vice president of Public Affairs, to talk about the many reasons to be excited about this year's virtual NADA Show. Hear why franchised dealers and their dealership teams won't want to miss this industry-leading event, taking place February 9-11.

This is an opportunity like no other for dealers and managers from every department to tap into this year's NADA Show directly from their homes and dealerships. At **a fraction of the normal cost** and without the need to travel, attendees from all over the world will get access to:

- 60+ education sessions, both live and on-demand with translated workshops available,
- Industry-leading keynote speakers on the Main Stage,
- Franchise meetings with OEMs,
- NADA Expo, offering product specials on thousands of new dealer tools and solutions,
- Networking opportunities, including receptions and happy hours, dealer-to-dealer group discussions, and our new Network Now matchmaking system to help you directly connect with exhibitors, industry partners and fellow attendees.

This year's show will be more innovative than ever. Learn more and register today at nadashow.org.

Vehicle Transactions and Business Operations in 2021

Every year brings new rules, requirements and information for vehicle transactions. Here are a few reminders for 2021:

- **RD-108.** The Michigan Department of State released an updated version of the RD-108 that must be in use no later than January 1, 2021. The updated version should already be in place for CVR transactions. A copy of the new RD-108 is available [here](#), with a video-walkthrough of the changes [here](#).
- **Sales Tax on the Difference.** For vehicles delivered in 2021, owners trading in a motor vehicle receive a sales tax credit for a vehicle's trade-in value up to a max. of \$7,000. This is a \$1,000 increase from the 2020 max.
- **Odometer Disclosure.** Effective January 1, 2021, NHTSA odometer rule changes disclosure exemption. NADA's [A Dealer Guide to the Federal Odometer Law](#) reviews regulatory mandates from the NHTSA, including the 2019 rule that provided for electronic (e-odometer) disclosures and reduced the odometer disclosure exemption for older vehicles from 10 model years and older to 20 model years and older.
- **2021 Fuel Economy Guide.** Federal law requires new car dealers to provide this guide to customers upon request. You can download the latest guide by visiting the [dealer page](#). It is updated periodically to include newly released vehicle models and current fuel cost estimates.
- **Minimum Wage.** Michigan's minimum wage will likely [remain \\$9.65 per hour in 2021](#) if, as expected, the annual unemployment rate does not fall below 8.5%.
- **Standard Mileage Rates.** The IRS has issued the 2021 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. [See the 2021 rates here.](#)



SOS [branch offices will be closed](#) on the following days in honor of the Christmas and New Year's holidays.

- Christmas: Thursday, Dec. 24 and Friday, Dec. 25, 2020
- New Year's: Thursday, Dec. 31, 2020 and Friday, Jan. 1, 2021

ADM Capitol Corner



Michigan [legislative news](#) from the Auto Dealers of Michigan, LLC.

- Whitmer Would Do This Differently With COVID; Daily Deaths Hit Triple Digits
- Whitmer 'Looking For Solution That Makes Sense' On Tesla Distribution
- Shirkey Calls Gov's 'Science-Driven' Decisions 'Bovine Secretion'
- State Of The State Won't Be In Packed House Chamber

Upcoming Virtual Programs

BCBS (Jan. 7) [Drop 5 to Start '21 kick-off](#) To help you start the New Year healthy, join this free, motivational virtual weight loss community for a 12-week journey to lose five pounds.

NADA Show (Feb. 9-11) [NADA Show 2021](#) is bigger, better and jam-packed with keynote speakers, workshops and education sessions that the entire dealership can benefit from.

MIOSHA (ongoing) While not virtual, NSF International teamed up with MIOSHA to provide free education and one-on-one guidance to help Michigan businesses minimize COVID-19 risks. [Get more info here.](#)

[More educational programs](#)

Articles You May Find Interesting



2020 in Review: Behold the Many Wonders of Michigan

...We photographed the Ford Bronco at an ORV park internet snoops believed was a testing facility in the Arizona desert. We tried to sink a Land Rover Defender in Lake Huron. We cruised sand dunes...

[Read more](#)
www.caranddriver.com



Well-Being Trends for 2021 | MIBluesPerspectives

This year has put an unprecedented strain on our lives, affecting us in many ways, both big and small. With 2021 right around the corner, we understand our journey through the pandemic is not yet over, and that challenges still lie ahead.

[Read more](#)
www.mibluesperspectives.com

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our

many knowledgeable associate members.

DEALERS RESOURCES, INC.

Dealers Resources Inc. is an independent agency focused on the unique needs of Michigan's automotive dealers. Our 18 field employees across the state specialize in process development, training, and management support - including the "Digital DRI Process". DRI provides a wide range of superior F&I products and various reinsurance structures focused around the needs of the individual dealer.

John Jameson
jjameson@dealersresources.com
(248) 344-4800



Providing a full range of commercial banking services.

Scott Stran
scott.stran@baml.com
(734) 437-5937

Michigan Automobile Dealers Association

Phone (517) 351-7800 | Fax (517) 351-3120
Email news@michiganada.org | Website www.michiganada.org

Having trouble viewing this email? [View as Webpage](#)

Michigan Automobile Dealers Association's

Friday Fast Facts



Your weekly auto industry update from the Michigan Automobile Dealers Association.

HAPPY NEW YEAR

Wishing you and yours a safe and happy New Year celebration! We look forward to seeing you again in 2021 as we celebrate 100 years of MADA.

Blue Cross Warns Members of Phone Scams

Blue Cross Blue Shield of Michigan is warning its members of new phone scams in which callers attempt to obtain personal or insurance information. The fraudulent callers claim they are from a pharmacy network, and then offer to mail the member over-the-counter vitamins and ointments to a member's home at no cost. These phone calls are not a part of a Blue Cross program. They appear to be a malicious or fraudulent attempt to gain personal information. We've also received reports of robocalls falsely claiming to be affiliated with Blue Cross in which callers are marketing insurance products or trying to collect personal information. Blue Cross is not working with these companies and does not share medical or prescription information with unauthorized third parties. Members should ask their health care providers if they have questions about their medications or medical supplies. If you receive a robocall that you believe is a scam, hang up immediately. Do not provide your personal information, and do not respond to any prompts. If you're receiving scam calls on your cell phone, you may block the phone number of the robocalls that are contacting you.

Thank You for the Well-wishes!

On Wednesday afternoon MADA presented Jean Quinn with a booklet of all the kind words shared by her dealership friends. Everyone did a very nice job of keeping it secret - she was completely surprised! Thank you so much for helping us create a special retirement gift for Jean. She said the thoughts and comments shared by so many touched her heart and she is so thankful to have worked with you for the past 40 years.



Reminders: Vehicle Transactions and Business Operations in 2021

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- **Sales Tax on the Difference.** For vehicles delivered in 2021, owners trading in a motor vehicle receive a sales tax credit for a vehicle's trade-in value up to a max. of \$7,000. This is a \$1,000 increase from the 2020 max.

- **Odometer Disclosure.** Effective Jan. 1, 2021, there will be new requirements in place for odometer disclosure upon a transfer of vehicle ownership. The new federal rules require the seller to disclose the mileage of the vehicle being sold for a period of 20 years following the production model year of the vehicle (previously 10 years). This will be done in a phase-in process, so one model year will be added to the rule each year, beginning with model year 2011 on Jan. 1, 2021. After 10 years, all model years will be phased into the 20 year disclosure rule.
- **2021 Fuel Economy Guide.** Federal law requires new car dealers to provide this guide to customers upon request. You can download the latest guide by visiting the [dealer page](#). It is updated periodically to include newly released vehicle models and current fuel cost estimates.
- **Minimum Wage.** Michigan's minimum wage will likely [remain \\$9.65 per hour in 2021](#) if, as expected, the annual unemployment rate does not fall below 8.5%.
- **Standard Mileage Rates.** The IRS has issued the 2021 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. [See the 2021 rates here.](#)
- **Form 8300, Cash Transactions.** Dealers who receive more than \$10,000 in cash in a single transaction or in related transactions must provide a written statement to each party whose name was included on the Form 8300 by Jan. 31 of the year following the reportable transaction. [Read more here.](#)

In Memory: Donald W. Nester



With sadness, we inform you of the passing of Donald W. Nester, age 87, on Monday, December 28, 2020. He is the former owner of Don Nester Auto Group, with dealerships in Houghton Lake and Roscommon. The dealerships are currently owned and operated by Jeff Nester, Matt Nester and Matt Jernigan.

Mr. Nester is survived by his children, Jeffrey (Karla) Nester and Cheryl (Gary) Schall; and grandchildren, Allison Nester, Matthew (Rachel) Nester, and Bryan Schall. He was preceded in death by his wife Beverly, and daughter Julie.

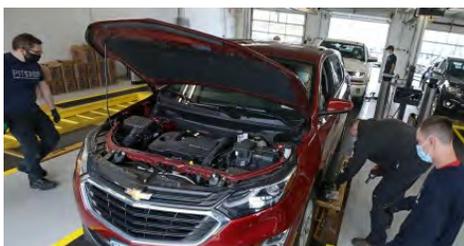
Due to the pandemic, the family will be gathering privately for Don's funeral. A graveside service will be held in the spring, with the date and time to be announced later.

Those wishing to make a memorial contribution are asked to consider Munson Grayling Hospital or the Roscommon County Community Foundation.

MADA extends its sincere condolences to the Nester family, friends and colleagues.

[View the full obituary here](#)

Articles You May Find Interesting



Dealership Buy-Sell Firm Haig Partners Makes \$10,000...

For every dollar donated through Jan. 31, 2021 to the Workforce Initiative by Haig Partners' clients, industry stakeholders and dealers, the firm will match the amount – up to \$10,000...

[Read more](#)
blog.nada.org



31 Days of Positive Affirmations to Ring in the New Year ...

Ring in the new year with a month of positive affirmations is a great way to get 2021 off to an optimistic start. Positive affirmations - short phrases, personal mantras or even quotes you admire - are things you repeat to yourself each day...

[Read more](#)

Associate Member Highlight

MADA would like to recognize a few of our associate members. These companies pay membership dues to the association and provide services that are tailored to dealerships. When you are reviewing products and services for your business please consider one of our many knowledgeable associate members.



Historically, buying and selling wholesale vehicles is time consuming, expensive and loaded with risk. Our 20-minute online auction provides immediate access to thousands of dealers while delivering trusted, ACV-backed vehicle condition reports.

www.acvauctions.com



Providing integrated technology solutions, making it easy for dealers to achieve measurable results and drive additional profit in every area of operations. Integrated products and solutions provide accurate, real-time information to make faster, better decisions for your dealership.

www.cdkglobal.com

Michigan Automobile Dealers Association

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