

MADA Fast Facts



Jan. 6, 2023

Vol. 25 | Issue 1

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MESSAGE FROM MADA PRES. CLIFF CICOTTE

Thank you for your commitment in 2023

It has been an eye-opening experience to serve as an MADA officer during the past three years, which included a second year as first vice president due to COVID. I am honored to now serve Michigan's franchised dealers as your 2023 MADA president.

I thank the nearly 600 dealerships that have renewed their MADA membership for 2023. Your association officers, board members and the MADA office staff pride ourselves on being your one-stop resource for Michigan information and guidance. Business has certainly changed during the past few years and that can make it challenging to stay current with the ever-evolving rules, regulations and expectations.

Dealers and dealership staff are always welcome to contact us for business support and assistance, whether it is licensing, legal, regulatory or anything else related to your dealership operations.

toll free (800) 292-1923 | email news@michiganada.org

Your involvement makes our association better and more valuable. If you have suggestions for services, activities or speakers, please let us know. We are excited to be working with you to support and promote the franchised dealership industry in 2023!

Cliff Cicotte

Spirit Ford, Dundee

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MICHIGAN VEHICLE CODE

Important Changes Beginning on the 23rd (Part 1)

Senate Bill 1064 has been passed and signed by the governor. **Effective on the 23rd day of January**, this legislation amends several sections of the Michigan Vehicle Code relating to vehicle registration, dealer licenses and vehicle plates, among other requirements on vehicle sellers. Changes include:

- Increase from 15 days to 30 days, the max. time period for which a temp. registration plate (BFS-4) is valid.
- Increase from 15 days to 21 days, the time period a dealer has to apply for a new title and transfer or secure registration. Increase related fines for violations from \$15 to \$50.
- Increase from 30 days to 60 days, the time period for which an "in-transit" special registration is valid. These are the plates used to transport vehicles to/from other states.
- Add a requirement that the name and address of any lienholder be added to the in-transit special registration. (Validated on RD-108.)
- Dealer surety bond amount will increase from \$10,000 to \$25,000 when a dealer purchases a new bond or renews an existing bond. (Dealers are not required to immediately increase an active bond.)
- Increase dealer license fee from \$75/yr to \$160/yr to match other licenses in Act. (Has not been raised in 20+ years.)
- A dealer may advertise or display to the public a vehicle that the dealer has acquired or that is available to the dealer directly from the manufacturer or distributor or the manufacturer's or distributor's subsidiary or affiliate within a reasonable period of time, even though the dealer is still waiting on possession of the vehicle's title.
 - Such a vehicle, if displayed on the dealer's lot, must be placed in a dedicated area at the dealership and arranged in a manner that clearly separates the vehicle from those available for immediate sale to the public with **signage placed on the vehicle** indicating the vehicle is **not available for final sale until the title is in the possession of the dealer**.
 - Examples: The dealer is waiting for a title from an auction or lender for a lease turn-in. This may also include a vehicle en route to the dealer from the manufacturer or distributor (within a reasonable time period).
- Allow dealers with multiple locations to store vehicle records at a secondary

owned location within a 15 mile radius. A letter to document this request is needed.

- Dealers can now request multi-year dealer plates that correspond with a multi-year license renewal. (All fees for multiple years must be paid up front.)
- MDOS will be required to provide the dealer 36/hr notice prior to a routine inspection/audit, and have proof of providing the advance notice.
- If a complaint against a licensee merits an investigation, MDOS will notify the licensee and make the complaint available to the licensee at no charge.

We thank the Auto Dealers of Michigan, LLC for working on this legislation to improve processes for dealers and customers.

As a reminder, these legislative changes are not yet in effect. They take place on January 23. Next week we will provide "Part 2" of these legislative changes in *Fast Facts*. If you have questions please contact MADA at (800) 292-1923 or email news@michiganada.org.

[Enrolled Senate Bill 1064](#) | [Summary analysis of the bill](#)

ALERT: Stolen and Altered Dealership Check

A MADA member would like other dealers to know of a fraud situation the dealership recently experienced. The dealership mailed a check in the amount of \$500.00. It is believed that check was intercepted before it got to the intended recipient and then altered. The recipient's name was changed, the amount was changed to \$7,400.22 and the thief attempted to deposit the altered check.

Fortunately the dealer is signed up with **Check Positive Pay**, which caught the discrepancy before the funds were withdrawn from the dealership account. Check Positive Pay is a fraud mitigation service that provides early detection of fraudulent, altered, or counterfeit checks through a daily verification of checks presented for payment against your check register.

Most major financial institutions offer Positive Pay as an additional service. In some instances there is a fee. This service may be a great benefit to your dealership if you are not already using it!

We thank the MADA member who alerted us to this situation. If you have questions or other information to share please call MADA at (800) 292-1923 or email news@michiganada.org.

ALERT: Suspect #1 Clones Key While Suspect #2 Talks to Salesperson

A west Michigan dealer had two subjects in a Ford Super Duty truck (later determined to be stolen) visit the dealership to look at a 2022 Ford F450 dually. They stated their boss was looking for an additional truck and asked to look at one

on the lot.

While one subject got in the vehicle with the key fob to start it up, the other subject stood outside next to the salesperson and kept him in conversation. The dealer would later learn that in the 2-3 minutes the subject was in the vehicle, he cloned the fob using a key re-programmer.

The subjects returned several days later during the night and were able to maneuver the vehicle off the lot even though it was blocked in. Law enforcement was quickly contacted and within 90 minutes the subjects were located in another stolen Super Duty truck after dropping the stolen Ford F450 at a drop location. One subject fled on foot and the other was arrested.

Inside the vehicle were numerous blank fobs and the key re-programmer, along with stolen plates from Colorado. It is believed they are operating in Michigan and Illinois and the stolen trucks are headed to Florida.

We again thank our members for sharing information about these fraudulent situations so other dealers can be aware of potentially similar issues.

OPERATIONAL UPDATES

New Year, New Processes

Following are a few legal, regulatory and other items to be aware of as you are modifying your 2023 dealer operations.

- NADA One-Stop: [Incentives for Clean Vehicles and Refueling Infrastructure](#) (includes EV tax credit information and sample reports)
- Sales Tax Trade-in Credit is now (max.) \$9,000. See this [bulletin](#) from MDOS with more information and common questions.
- Increased electric vehicle surcharge/registration fees are in effect. See the [chart here](#).
- Minimum wage is now \$10.10/hr ([wage and hour posters](#)).
- [IRS standard mileage rates](#); business use increases 3 cents/mi
- Now thru Jan. 20: **Obsolete 2022 tabs must be returned** to the CVR Warehouse no later than Jan. 20. For step-by-step instructions please review [this handout](#).
- Mid-Jan.: Doc fee will be reviewed for possible increase.

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



CAPITOL CORNER

This week's legislative news from MIRS, provided by the Auto Dealers of Michigan, LLC.

[Keep Reading](#)

- Stabenow Decision Against Re-Election: All About Family
- Top 5 Democratic Possibilities For U.S. Senate
- Top 5 Republican Possibilities For U.S. Senate

NEWS AROUND THE WEB

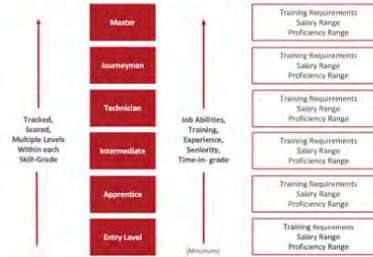


10 Most Significant Employee Benefits Law Changes in 2023's Federal Spending Bill

Fisher Phillips | Besides ensuring the federal government remains fully funded, President Biden's signature on the Continuing Appropriations Act, 2023 (CAA 23) contains several provisions that will directly impact health and retirement benefit plans. Here are the 10 most significant items that employer plan sponsors need to know about CAA 23.

[Read More](#)

Build A Technician Career Path



Build a Career Path to Recruit and Retain Technicians

NADA | Car and truck technicians are in short supply-but you can expand recruitment and retention by demonstrating exactly how they can advance in your dealership. Create a Ladder of Advancement Give employees and applicants a roadmap to career progression in both seniority and compensation.

[Read More](#)



MEMBER NEWS

Associate Members Renewed

We thank the following companies for their 2023 MADA membership!

Bill Brown Ford Retains Top Selling Franchise Crown

Almost exactly one year ago, *Ford Authority* reported that Bill Brown Ford in Livonia, Michigan was named the number one Ford dealer in the world after a banner year in sales in 2021. It was a stunning development for the Detroit-area Ford dealer, as it overtook Brandon Ford in Tampa, Florida, which had won those honors in 2019 and 2020, as well as Galpin Ford of Los Angeles, California, which had earned that distinction for a whopping 29 consecutive years prior to 2019. Now, however, Bill Brown Ford has repeated its feat in a year ripe with challenges.



For the second consecutive year, Bill Brown Ford has been named the number one volume Ford dealer in the world by Ford Motor Company, a notable accomplishment for the 100+ year-old family-owned business...[keep reading](#)



Look for MADA Partners on the NADA Show Expo Floor!

Many MADA preferred partners and associate members will be offering freebies and information on the NADA Show Expo Floor. View [this handout](#) to see who will be there, with booth locations noted. Then stop by Jan. 27-29 and learn how these companies can support your dealership.



JANUARY 26-29 | DALLAS

EDUCATIONAL OPPORTUNITIES

700Credit (Jan. 10 or 12) [Is Fraud Jeopardizing Your Dealership's Profitability?](#)

BCBS (Jan. 12) [Caring for Your Skin with Sara Wilchowski, MS, PA-C](#)

Federated Insurance (Jan. 17) [OSHA's most recent Top Ten violations](#)

Gov. Whitmer (Jan. 25) 2023 State of the State

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

MADSIF remains the number one solution for Auto Dealership workers' compensation in Michigan. MADSIF has returned over \$147 million in dividends since 1980 which represents approximately 35% of total premium. MADSIF is your risk-management partner and helps you control your workers' compensation for the long-run through effective loss control and aggressive claims administration.



Website

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.



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



Jan. 13, 2023

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MDOS CONTACT PERSON

Do you know who received last Friday's bulletin from MDOS?

Please make sure you know who at your dealership is receiving licensing emails from the Michigan Department of State (MDOS). This email is noted within your CARS e-Services account, and only one email per license is allowed.

This is the contact who will be emailed with any 36/hr MDOS inspection notices and general MDOS regulatory news. With renewals going fully online next year, this is also the person who will receive the renewal paperwork and be contacted with any issues with the license.

If you are unsure, the Account Manager for the dealership can view and confirm the business email address on record within the CARS account.

When logged into CARS, select:
More >> go to *Information >>*
select *Update Contact Information*. On this page you can see the *Business Email*, and update if needed.

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NEWSLETTER SPONSOR

Rehmann is a professional advisory firm that provides accounting and assurance, business solutions and outsourcing, specialized consulting, and wealth management services. Our dealership experience dates back to 1960, and we're still serving many of the same clients. Our approach is to understand the dealer and the dealership first

MICHIGAN VEHICLE CODE

Important Changes Beginning on the 23rd (Part 2)

Senate Bill 1064 has been passed and signed by the governor. [Effective on the 23rd day of January](#), this legislation amends several sections of the Michigan Vehicle Code relating to vehicle registration, dealer licenses and vehicle plates, among other requirements on vehicle sellers. Changes include:

- The bill authorizes MDOS to accept odometer information electronically. However, MDOS must first develop proper rules, forms to be used and technology for this new electronic disclosure process. Only then will dealers have the option to accept electronically signed odometer statements. MDOS and MADA will keep dealers updated on this **future option**.
- A dealer may park, store, hold, and repair vehicles owned under one dealer license on the lot or property held by the same dealer under a separate dealer license that is located within a 15-mile radius.
- Dealers may have a secondary location to store vehicle records, separate from the licensed location, after receiving department approval. Requests must be submitted online through your CARS e-Services dealer account and will require MDOS approval. This location must be within 15 miles of the licensed location and be owned by the dealer.
- Class A & B dealers must buy and/or sell five separate vehicles each year. If the dealer has not bought and/or sold five separate vehicles in the preceding 12 months, they will not be able to renew their license and will be coded out of business.
- Class W dealers will be required to maintain regular hours of operation at an established place of business that includes at least 15 regular business hours per week between the hours of 8 a.m. and 5 p.m., Monday through Friday. Furthermore, new Class W dealer licenses issued on or after January 23, 2023, cannot be located within 200 feet of another Class W dealer..
- Class C, D, E, F, G, R dealers will be required to have at least 15 hours per week for at least 48 weeks per year. At least 5 of those 15 hours must be between 8 a.m. to 5 p.m., Monday through Friday.

Dealer Surety Bonds. We have had many dealers contact us about the increase in the required surety bond amount (from \$10,000 to \$25,000). The increase in bond amount will correspond with your license renewal. Please know that your existing bond for an active dealer license does **not** need to be increased at this time. MDOS will remind dealers of the new bond requirement prior to license renewals. Dealers with a current DIA bond through MADA will also be contacted when it becomes necessary to renew the bond at the \$25,000 amount.

Please also see [this handout](#) for an overview of all legislative changes.. If you have questions contact MADA at (800) 292-1923 or email news@michiganada.org.

Resources Added to NADA EV Credits Webpage

New links to IRS information on the Inflation Reduction Act's clean vehicle and refueling infrastructure tax credits, together with updated sample federal EV credit seller report forms (in both PDF and Word versions), have been posted to the NADA Regulatory Affairs Alternative Fuel Vehicle and Refueling Incentive webpage.

The webpage also links to valuable information on state and utility incentives. In addition to becoming familiar with the information available on the webpage, dealers should pay close attention to any EV tax credit communications they receive from their OEMs and the finance sources they work with.

www.nada.org/ev-incentives

REPAIR FACILITY LICENSE REMINDERS

News from the Michigan Department of State

The Michigan Department of State (MDOS) has notified dealers that it continues to issue a high number of violations for **failure to display a valid repair facility registration** and **failure to display a valid mechanic certificate in a conspicuous location**. In many instances, the facility and mechanic hold a valid registration and certificate, but the ones displayed are expired. Failure to have a valid registration and certificate displayed will result in a violation being issued. Please take the time to regularly check the registrations and certificates displayed at the facility to ensure they are all valid.

The department has also seen an increase in the number of **improper estimates and invoices**. This is a great time to review the facility's records to ensure that they meet all the requirements of the Motor Vehicle Service and Repair Act. [Appendix D](#) of the Repair Manual covers the requirements for estimates and [Appendix E](#) covers the invoice requirements. Also, [Chapter 2](#) of the Repair Manual covers all the record-keeping requirements for repair facilities.

Collision / Body Shop Requirements

As a reminder, the repair and replacement of bolt-on components does not require mechanic certification; however, a mechanic who is certified in unitized body and structural repair is required to diagnose all vehicles involved in a collision to determine if the underlying structural components the panels are bolted to are structurally sound.

If a collision/body shop does not employ a mechanic who is certified in unitized body or structural repair, the facility will need to subcontract the diagnosis of the underlying structure to a shop that has a mechanic who is certified in unitized body

and structural repair. If the facility chooses to sublet the diagnosis, the repair facility and mechanic information must be properly noted on the invoice. Instructions on how to notate sublet repairs can be found in Section 5-3 in [Chapter 5](#) of the Repair Manual.

LEGAL INSIGHT FROM FISHER PHILLIPS

FTC Proposes the End of Employment-Based Non-Compete Agreements



The federal government has announced a **proposed** rule which would ban non-compete agreements between nearly *all* employers and *all* workers — employees, independent contractors, externs, interns, volunteers, apprentices, and even sole proprietors who provide a service to a client or customer. When announcing the new proposed rule this morning, the Federal Trade Commission (FTC) stated the widespread use of non-competes agreements is an “often exploitative practice that suppresses wages, hampers innovation, and blocks entrepreneurs from starting new businesses.” Indeed, the agency estimates about one in five employees across the country are subject to some form of non-compete agreement. By announcing this proposed rule, the FTC believes it will increase wages by almost \$300 billion per year and help 30 million Americans expand their career opportunities. What do employers need to know about this dramatic development?

The proposed rule has three critical components:

1. it would prevent employers from entering into non-compete clauses with workers;
2. it would require employers to take active steps to rescind existing non-compete clauses; and
3. it proposes explicit notice requirements applying to both current and former employees.

Dealers can [read more about the proposed rule here](#), with potential impacts, narrow exceptions, and other restrictive covenants that could potentially be swept up in the rule.

What Should You Do Now?

Employers should track this proposed rule closely and be prepared to revisit all of your restrictive covenant clauses within the next year. You may want to make sure you have an inventory of all existing covenants with both current and former employees on hand in order to be in the best position to comply should the rule take effect.

MADA also reminds dealers of the lengthy process involved in a change such as this. Any rule change must go through the proper process, which means nothing would take place until the last quarter of 2023, or later. (60-day comment period,



Keep Reading

CAPITOL CORNER

This week's legislative news from MIRS, provided by the Auto Dealers of Michigan, LLC.

- Dems' First Go At Retirement Tax Reform Rolls Back Rules To Pre-2012
- Republicans Who Voted Against Tate Shorted On Committees
- Early Presidential Primary Bill Skips Committee
- Senate Dems Load Up Members With Committee Assignments

NEWS AROUND THE WEB



Road Usage Charging is a Fraught Strategy to Fund Michigan's Roads

Citizens Research Council of Michigan | As vehicles become increasingly efficient and electrified, fuel taxes are no longer creating enough revenue to keep up with transportation funding needs. An alternative to fuel taxes is Road Usage Charging (RUC), a per-mile fee. Michigan has signaled interest in implementing a RUC pilot program to explore the feasibility of increasing road funding.

Read More



No End in Sight: New-Vehicle Transaction Prices End 2022 at Record Highs, According to New Data from Kelley Blue Book

Cox Automotive | December 2022 average new-vehicle transaction prices (ATPs) increased month over month to end 2022 up 4.9% from year-ago levels. Luxury brand sales jumped to a record 18.6% share of total sales, lifting the overall industry ATP. Electric vehicle (EV) prices decreased more than \$3,500 month over month as Tesla slashed prices in a year-end sales push.

Read More



MEMBER NEWS

Randy Wise Automotive Team is #1 Donating Dealer to the United Way

Randy Wise Automotive Team has recently accomplished some milestones with its lifelong partnership with United Way of Genesee County in Michigan. This year the dealer group surpassed its annual donation amount to United Way by 14%, raising a whopping \$147,982! This is a huge accomplishment, and recognizes the group as the #1 donating dealer to United Way in Michigan. A recognition Randy Wise Automotive is proud to achieve many times over. Over the course of the partnership, more than \$1M has been raised for the organization! [Read more](#)



Huntington National Bank and the Randy Wise Automotive Team are also working with the United Way of Genesee County to combat food insecurity with a Day of Service on Martin Luther King Jr. Day.

The Day of Service, **sponsored by Huntington National Bank**, will be held at the Dort Financial Center on Jan. 16. Hundreds of volunteers will gather inside the center's practice arena to prepare nutritious meals for distribution to local pantries across the county. Several local businesses and companies, including the Randy Wise Automotive Team and Huntington National Bank, will also be bringing their employees to volunteer for the Day of Service...[keep reading](#)

ACV Takes the Stage at NADA Show

On Thursday, January 26, Vice President of Business Development Randy Barone will lead an educational workshop on the Variable Operations track: "Windshield or Rear-view Mirror? How do you manage used cars?" Barone, a 30-year automotive industry veteran and former dealer, will focus on inventory management strategies. Attendees will learn how to pivot ahead of market fluctuations and inventory volatility through the use of data to value cars accurately, buy more profitable vehicles and manage inventory. The workshop will explore ways to diversify vehicle acquisition, including better



buying-center experiences and unique consumer sourcing strategies.

On Friday, ACV's technology thought-leaders and engineers, Senior Director of Research and Development Michael Pokora and Director of Research and Development Philip Schneider, Ph.D., will take the Main Stage to compete in NADA's new Exhibitor Pitch Competition, discussing ACV's industry-leading inspection tool, APEX. APEX is the latest generation of ACV's listening tool, Audio Motor Profile , and now boasts a multitude of sensors that record the vehicle's engine sound and vibration and detect certain emission anomalies...[read more](#)



[Get the NADA Show mobile app!](#)

[See MADA partners on the Expo Floor](#)

EDUCATIONAL OPPORTUNITIES

CAPTRUST (Jan. 19) This webinar will explain several types of contributions -- pre-tax versus after-tax contributions, as well as Roth contributions -- and how to decide which is right for you based on your financial wellness plan and savings strategy. [REGISTER](#)

Gov. Whitmer (Jan. 25) 2023 State of the State Address

DADA Q'd Up Live (Jan. 26) Join Kurt Berryman and State Rep. Will Snyder for this State of the State update/recap. A lifelong resident of Muskegon, Rep. Snyder is serving his first term representing the 87th House District. [REGISTER](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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.

[Website](#)



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.

[Website](#)



Supporting Michigan's franchised dealers for more than 100 years!

MADA Fast Facts



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FINAL REMINDER

Return obsolete tabs today

Obsolete 2022 tabs **must** be returned to the CVR Warehouse. For step-by-step instructions [please review this handout](#).

Once you have marked your inventory as “obsolete” in the system, send the tabs along with an inventory list showing them obsolete to:

CVR Returns ~ 1500 Kendale Blvd ~ East Lansing, MI 48823

** Send inventory in a trackable shipping method. **

DOC FEE UPDATE AND REMINDERS

Documentary preparation fee is adjusted to (max.) \$260

On January 13, 2023, [DIFS announced](#) an increase in the the maximum allowable documentary preparation fee (doc fee) for 2023 and 2024. Now in effect, the fee shall not exceed 5% of the cash price of the motor vehicle or \$260.00, whichever is less.

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.

We remind dealers that they should charge a uniform doc fee to all customers, regardless of manufacturer promotions or whether the transaction is cash, credit or lease (unless otherwise mandated by a court). Each dealer may determine the appropriate doc fee to charge based on the dealer's business model (not to exceed the fee allowed by DIFS).

- [DADA/MADA dealer advisory](#)



NEWSLETTER SPONSOR

Founded in 1952 in Lincoln Park, Mich., Painters Supply & Equipment Company has grown to become one of the nation's leading Paint, Body & Equipment Distributors for collision, commercial, industrial, architectural, and aerospace industries.

[Learn More](#)

HOW DOES YOUR DEALERSHIP COMPARE

The 2023 NADA Dealership Workforce Study is now open!

We encourage dealers to participate in this NADA member exclusive study. Your participation is key to the success and value of the reporting from the study. With your participation NADA can better provide the latest trends in compensation, benefits and retention for the most important dealership asset, the people.

We saw record earnings in calendar year 2021 and the lowest turnover rates across all dealership positions in the ten years since NADA first introduced this study. What will we see from the data submitted this year? To be a part of this study and receive complimentary reports and exclusive online database access, enroll now.

How to Participate:

1. Enroll at nadaworkforcestudy.com
2. Complete a confidential online questionnaire
3. Export and upload your Payroll File (no personal or dealer identifiable data is reported)

MADA hears from dealers every year looking for the NADA report showing trends in compensation. Participation in the Workforce Study provides that information. For your participation you will receive:

- **Custom Comparison Report - How Your Dealership Compares** - Comparison report of your data vs. other dealerships in your region, brand, sales volume and more.
- **Trends Report - 2023 NADA National & Regional Trends in Compensation, Benefits & Retention** - National & Regional summary and analysis of auto dealership employee compensation, benefits, demographics and retention trends.
- **NADA Online Database Search Tool** - Exclusive one-year access to an online database with payroll and retention data from previous workforce studies. Custom search data from over 60 positions by brand, region, state and more.

NADA also offers a **commercial truck focused study** similar to the NADA DWS -- the 2023 ATD Dealership Workforce Study. More info can be found [here](#).

Why Does MADA Partner With Merchants for Dealer Bonds?



For nearly a century, Merchants Bonding Company has honed its expertise in providing contract and commercial surety bonds, offering first-class service and a common sense underwriting approach. Unlike its competitors with multiple lines of business, Merchants' focus is almost exclusively on surety.

A national leader in surety, Merchants Bonding Company is among the top surety writers in the United States and has had an "A" (Excellent) rating or better from A.M. Best since 1958.

Simply put, Merchants Bonding Company has the knowledge, experience and top-rate customer service that makes the bonding process easy for MADA and the 500+ dealerships that bond through us. Bonding with Merchants through MADA's DIA program is fast, credit approval is not required, and information can be remitted to the state in a timely manner. **If your dealership is looking for a new option when it comes time to renew your surety bond at the increased \$25,000 amount, give MADA a call at (800) 292-1923 or email mbrenke@michiganada.org.**

TWENTY-THREE FOR '23

Driving Your Success from Michael Charapp, Esq.

Regulators, particularly federal, are more energized than ever to tell you how to run your business, particularly for advertising, sales practices, and personnel treatment. A dealer must have in place a strong compliance program to operate in this regulatory climate.

Here are twenty-three issues to which you should give attention in 2023.

Franchise Relations

You are probably familiar with the Rahm Emanuel political edict that one should "never let a serious crisis go to waste." In the car business, manufacturers and distributors are experts in using that philosophy. Whenever they must deal with drastic changes, they seem to come to solutions that always enhance their leverage over dealers. It is that way today.

Government incentives for electric vehicles and an increasing portion of the public willing to consider buying them have led OEMs to spend billions developing BEV technology. At the same time, supply-chain issues have caused critical shortages of vital parts. A changing fleet mix and lower inventories are issues with which the OEMs must struggle.

Their response is typical. How can we, OEMs, use this crisis to develop income sources, even if doing so is to the detriment of our dealers? How can we use this crisis to enhance our control over dealers, including our ability to deal directly with

customers and make the dealers' customers our own?

There are several issues critical to your prosperity as a franchisee in 2023.

1. Electric vehicles are here to stay. It is not just skeptics who are critical about the OEM attention to BEVs. We are starting to see reports that OEM executives question the public demand and infrastructure issues critical to meet commitments to BEV only sales in about a decade. Regardless of what industry observers predict or your personal views, present federal and state government programs are designed to drive consumers to buy BEVs. That is why marketing of BEVs predominates even though sales are still a small percentage of ICE sales. For 2023, BEVs will be the future, even if arguments for eliminating ICE vehicles are unrealistic. That means your marketing and sales efforts, your training of your personnel, and your time-honored ability to serve the needs of your customers depend upon you being wholly committed to the BEV game.

2. Beware of the agency model...

3. Be prepared to enforce your franchise rights...

> > [Click here](#) for additional critical issues related to **franchise relations, federal and state compliance, plus personnel compliance and operations issues.**

COMMON LICENSE VIOLATIONS

Top violations issued by MDOS in 90 days

Following are the top violations issued by the Michigan Department of State (MDOS) within the past 90 days (with the number of violations noted). MDOS shares these common violations with dealers to give you and your team reminders to maintain compliance. Dealers are also encouraged to be familiar with the [Dealer Manual](#) and the [Repair Facility Manual](#).

Breakdown by License Class *(total violations issued - 1,603)*

- Class A - 637
- Class B - 484
- Class C - 481

Dealer License *(top 3)*

1. Late title transaction (62)
2. Failure to maintain police book (53)
3. Improper RD-108 (47)

Repair Facility License *(top 4)*

1. Improper invoice (193)
2. Failure to employ properly certified mechanics (95)
3. Failed to maintain proper records (62)

4. Failed to give a written estimate unless legally waived (60)

Mechanic License *(top 3)*

1. Performed, or inspected and approved, repair services without being properly certified (82)
2. Failure to display mechanic certificate on wall (75)
3. Performing repairs with expired certification (74)



Keep Reading

CAPITOL CORNER

This week's legislative news from MIRS, provided by the Auto Dealers of Michigan, LLC.

- Senate GOP Will Play Hardball If Dems Push RTW
- 679 Could Overlay Famous Detroit 313 Area Code
- MPSC Approves \$155M Rate Increase For Consumers Energy Customers
- December Unemployment Remains At 4.3% In Michigan
- Income Tax Cut? EITC Expansion? Untaxed Retirement Income? No Problem

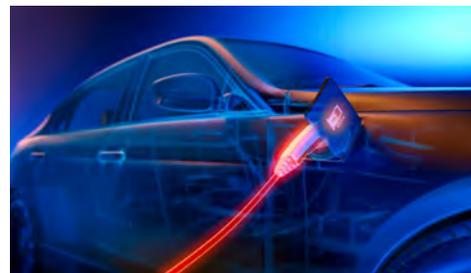
NEWS AROUND THE WEB



Ten Red Flags That Could Trigger An IRS Audit

UHY | Despite a low IRS audit rate historically, there is an expected increase in enforcement over the next 5-6 years due to provisions in the Inflation Reduction Act that will increase IRS funding. That being said, it's important to be aware of "triggers" for IRS audits, below is a list of some of the more egregious items. 1. Large charitable donations.

Read More



Infrastructure Funding: The Impact of EVs on Michigan Roads

Anderson Economic Group | The County Road Association of Michigan retained Anderson Economic Group to study the road funding ramifications posed by the increasing adoption of electric vehicles in the state. Over a year, they conducted a careful analysis of the entire fleet of vehicles on Michigan roads, the tax structure for both EVs and ICE vehicles, and the likely path of EV adoption over time.

Read More



**GIDDY UP TO DALLAS
FOR THE AUTO INDUSTRY
EVENT OF THE YEAR!**

2023 NADASHOW
DALLAS • JANUARY 26-29



MEMBER NEWS

SHARPE in Grand Rapids Celebrates 40 Years!

In recognition of 40 years, the dealership founded by George Sharpe Sr. and now operated by George Sharpe Jr. chose to celebrate its anniversary with the Grand Rapids community, clients and employees.



Each month SHARPE sponsored a new community organization. The goal was to use the dealership's platforms to bring awareness, raise money, and support these organizations with their planned events. The dealership donated \$48,000 across 12 organizations! Clients were invited to exclusive reveal parties, vehicle launches and unique experiences.

Special programs were of course also held for dealership employees. SHARPE team members also extended the community-forward thinking and contributed 174 hours to Volunteer Time Off, a new Paid Time Off Program. [Read more](#)

New Product from 700Credit:

QuickScan Mobile Driver's License Authentication

QuickScan from 700Credit is a mobile document authentication platform that provides dealerships **real-time confirmation of the legitimacy of a customer's driver's license and identity** at the beginning of the sales cycle.

Dealers can schedule a product demo at the NADA Show in Dallas. 700Credit also invites dealers to join them for a happy hour to show appreciation to clients and friends. Stop by Booth #2817W on January 27th, from 3-5 pm for cocktails and a free gift!

DEALER APPRECIATION EVENT: **BOOTH #2817W**

You are invited to stop by our booth for cocktails and a **FREE** gift on **Friday, January 27, 2023 from 3-5 pm!**

Looking forward to seeing you there!

Show your dealer badge at booth #2817 for a free Yeti tumbler!



-OR-

Women in Automotive Dealerships can enjoy an exclusive special gift!



The NADA Show is next week! [Ten reasons you won't want to miss it.](#)



[NADA Show mobile app](#)

[MADA partners on the Expo Floor](#)

EDUCATIONAL OPPORTUNITIES

Gov. Whitmer (Jan. 25) [2023 State of the State Address](#)

DADA Q'd Up Live (Jan. 26) Join Kurt Berryman and State Rep. Will Snyder for this State of the State update/recap. A lifelong resident of Muskegon, Rep. Snyder is serving his first term representing the 87th House District. [REGISTER](#)

Fisher Phillips (Jan. 26) This webinar will discuss some of the most difficult but [common ADA accommodation requests and roadblocks in the process](#) including accommodations related to attendance, obtaining medical information, and how to deal with a difficult employee with an eye toward avoiding litigation or winning if it ensues.

HIGHLIGHTING OUR ASSOCIATE MEMBERS

NEWTECH™
DEALER SERVICES

Website

Newtech Dealer Services™, established in 1998, is one of the industry's leading innovators in technology, consulting, financial services, and vehicle management. Our proven systems and methods have helped our clients throughout the country increase revenue, control expenses, and create efficiencies.

 **700Credit**

Website

700Credit is the largest provider of credit reports, compliance solutions, soft pull and identity verification, fraud detection and prevention products for over 15,000 automotive, RV, Powersports and Marine dealers across the US. We have over 200 integrations with CRM, DMS, Service Lane, Website providers, desking platforms, digital retailing, and automotive marketplace sites.



Supporting Michigan's franchised dealers for more than 100 years!

MADA Fast Facts



Jan. 27, 2023

Vol. 25 | Issue 4

[View as Webpage](#)

COMMON DEALER QUESTIONS

Standalone Class B dealer training

The Michigan Department of State recently emailed all licensed dealers about the used vehicle training requirement:

- *"Public Act 420 of 2018 requires all used vehicle dealers to have a designated individual attend training every 24 months for the first renewal completed after the 2020 dealer renewal season."*

MADA reminds dealers that this "every 24 months" training requirement is for **standalone Class B** licensees. **Combined Class A/B licensed locations are not required to send a person to MDOS training.**

However, Class A dealers can always *choose* to register employees for the free, virtual MDOS dealer training. It is a great option for new employees who must be familiar with licensing requirements, or a great refresher for existing employees. Dealer training covers the basic requirements of the Michigan Vehicle Code, dealer functions, licensing requirements, and CARS e-Services.

MDOS also offers training for repair facility managers, service advisers, and technicians on the basic requirements of the Motor Vehicle Service and Repair Act and relevant industry information.

All licensed vehicle dealers and staff may attend training virtually through Microsoft Teams at no cost. For those interested, pre-registration for continuous education dealer training is available through CARS e-Services.



NEWSLETTER SPONSOR

Founded in 1952 in Lincoln Park, Mich., Painters Supply & Equipment Company has grown to become one of the nation's leading Paint, Body & Equipment

NADA DATA 2022

A mid-year report on vehicle sales

NADA's regular, comprehensive financial profiles of new-car dealerships - *NADA Data: Full-Year Report* and *NADA Data: Mid-Year Report* - are two of the association's most popular publications.

Despite disruptions from the semiconductor shortage, vehicle sales and service have been keeping dealers and their employees busy, and bolstering local economies. [Click here](#) for some highlights, with all NADA Data numbers from mid-year 2022 unless otherwise noted.



Reminder: Disclosure of Damage or Repair

Dealers must disclose damage/repair to the consumer if the amount exceeds 5% of the Manufacturer's Suggested Retail Price (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.

Michigan Vehicle Code [section 257.233b](#) states:

257.233b (2) Except as provided in this subsection, a new motor vehicle dealer shall disclose in writing to a purchaser or lessee of a new motor vehicle, demonstrator, executive or manufacturer's vehicle, or program vehicle before entering into a sales contract or lease agreement that, after the vehicle completed the manufacturing process, the vehicle was damaged and repaired, including an itemization of repairs, if the dealer has knowledge of the damage and repairs and if the cost of the cumulative repairs, as calculated at the rate of the dealer's authorized warranty rate for labor and parts exceeds either 1 of the following:

- (a) Five percent of the manufacturer's suggested retail price of the vehicle.
- (b) Seven hundred fifty dollars in surface coating repairs or corrosion protection restoration or a combination of these items.

MDOT: TALKING MICHIGAN TRANSPORTATION

Study examines feasibility of tolling some Michigan roads

On a recent [Talking Michigan Transportation podcast](#), a conversation with Eric Morris, Michigan office lead for HNTB, the transportation consultant selected to

complete a tolling [study](#).

Some 35 states have at least one facility with tolling. But that number is a little deceiving because Michigan would be counted in that total since there is tolling on big bridges and/or international crossings but no tolling on non-bridge road segments.

Morris says the experts analyzed all 31 highways in Michigan for the study and determined that 14 could become toll roads, including large portions of Interstates 75, 94 and 96.

As *Bridge Michigan* [reported](#), any tolls would take years to implement and require approval from the Legislature and the governor, among numerous hurdles.

Morris talks about the differences between various road user charge (RUC) options, including mileage-based user fees (MBUF) and tolling and how pilot programs seeking people to participate have been voluntary, so far, including [one](#) in Oregon that has generated a lot of discussion.



Important Update

Please Read

REVISED DEALER MANUAL NOW POSTED

Please update any printed copies

Following the legislative changes that took effect on Monday, every chapter of the Dealer Manual has been revised and the updated manual is now posted to the MDOS website. If you maintain a printed copy please [go to this link](#) and print the revised chapters and affiliated sections.



Keep Reading

CAPITOL CORNER

This week's legislative news from MIRS, provided by the Auto Dealers of Michigan, LLC.

- Senate, House OK Enlarging State EITC To 30% For Low-Income Workers
- Tax-Free Public Pensions, Employer-Provided Pensions, Annuities Passes In Senate and House
- Early Presidential Primary For Dems OK's On Party-Line; Will It Receive Immediate Effect?
- Court: Legislature's Handling Of Minimum Wage, Sick Time Laws Constitutional

NEWS AROUND THE WEB



Market Update, Jan. 2023

CAPTRUST | A year ago, markets were coming off one of the best performances in history. Yet 2022 proved unsettling for investors as the market endured several turbulent events. In this Market Update, join CAPTRUST Chief Investment Officer Mike Vogelzang for a look back and a glimpse ahead at what 2023 may bring.

[Read More](#)



Dislike for Ohio, curse words and more are SOS' reasons for plate denials

Lansing State Journal | Michiganders can express their love for a city, team, phrase or nearly anything under the sun with their license plate, but not all desired tags ever get seen in traffic. The Michigan Secretary of State's office denied 21,652 custom plates in 2022, compared to 118 requests in the first six months of 2021, according to a public records requests.

[Read More](#)

MEMBER NEWS

Ford dealership donates \$50K to Salvation Army

The Salvation Army of Metro Detroit received a \$50,000 donation from **Pat Milliken Ford** of Redford Township, to benefit its annual Red Kettle Christmas Campaign fundraiser. The auto dealership committed a portion of every new and used vehicle sold throughout the month of December, up to \$50,000.

Earlier this month, Pat Milliken Ford President, Brian Godfrey presented the check to Lt. Colonel John Turner, Divisional Commander of the Great Lakes Division of The Salvation Army.



Save the Date!

MADA Spring Meeting
Wed., May 10, 2023
East Lansing (in person)

EDUCATIONAL OPPORTUNITIES

Dealers Resources Inc (Feb. 7-10, Northville)
[Financial services management training](#)

BCBS (Feb. 16) [American Heart Association Go Red for Women: Be the Beat Challenge](#)

NADA & KPA (Feb. 22) [Creating a Safe & Compliant Dealership for EVs](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

UHY works closely with your dealership as an active partner in your success. As your business advisor, UHY will help you navigate the twists and turns in your fast-paced industry, delivering the strategic solutions you need to gain a competitive advantage. UHY has a highly skilled team of dealership professionals.



Website

Huntington National Bank has been proudly supporting the auto dealers of Michigan for over 60 years. Huntington Auto Finance provides dealer partners with wholesale floorplan, real estate, acquisition, working capital, retail lending, and dealership banking solutions.



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



Feb. 3, 2023

Vol. 25 | Issue 5

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2023 MADA CALENDAR OF EVENTS

We Hope You Will Join Us!

MADA is finalizing our dealer events for 2023, but we do have a few dates to get on your calendar.

February 22 | MADA Board Meeting (Zoom @ 10:00 am)

All MADA dealers are welcome to participate. A registration link will be available next week. This meeting will provide informational updates on the association and related business topics.

May 10 | MADA Spring Dealer Meeting

(Board Meeting @ 10:30 am | Membership Meeting @ 12:00 pm)

We are excited to see you at Eagle Eye Banquet Center, near East Lansing. By dealer request, we are arranging an in-person educational meeting for dealers and dealership staff. This program will provide networking, lunch, Michigan business updates and a timely keynote presentation. More information and registration will be available soon.

September 12 | MADPAC Golf Outing

We are returning to Hawk Hollow Golf Course, near East Lansing for our annual golf outing. Please add it to your calendar and begin planning your foursome for fun, food, gifts and prizes!



[Learn More](#)

MADA Member Webinar

NEWSLETTER SPONSOR

ACV, the leading digital automotive marketplace and data services partner for dealers and commercial partners. From sourcing to selling, and everything in between, ACV helps dealers win by providing robust data that helps acquire core inventory, manage vast assets, merchandise, and market vehicles, and wholesale cars. Enjoy exclusive MADA member benefits!

INJURY AND ILLNESS REPORTING

Post MIOSHA Form 300A from Feb. 1 to April 30, 2023

Employers are required to post the previous calendar year's Form 300A Summary page from February 1 to April 30. This must be posted in a visible location so that your employees are aware of the injuries and illnesses occurring in their workplace.

MIOSHA requires most Michigan employers with 11 or more employees to log and maintain records and make sure they are available in the event of an investigation.

More information & forms:

- [Recording And Reporting of Occupational Injuries And Illnesses](#)
- [MIOSHA Form 300](#) (Log of Work-Related Injuries and Illnesses)
- [MIOSHA Form 301](#) (Injury and Illness Incident Report)
- [MIOSHA Form 300A](#) (Summary of Work-Related Injuries and Illnesses)

Any employer with 250 or more employees, and employers in a [select group of industries](#) with 20 to 249 employees, must electronically submit MIOSHA Form 300A data to **federal** OSHA. For questions on OSHA electronic tracking, please visit [OSHA's website](#).

Additional recordkeeping information, including general guidelines, forms and FAQs, are available on the MIOSHA website at www.michigan.gov/recordkeeping.

FEDERAL LEGISLATION

Kildee Introduces Bipartisan Bill to Provide Tax Relief to Car Dealerships

On Wednesday, Congressman Dan Kildee (MI-08) introduced the *Supply Chain Disruptions Relief Act* to provide relief to car dealerships that were hit with large tax bills due to pandemic-fueled disruptions to the global semiconductor supply chain.

“Car dealerships are important job creators in mid-Michigan and throughout America. Unfortunately, many dealers are facing enormous, unexpected tax bills because of unavoidable supply chain disruptions,” said Congressman Kildee. “I am proud to introduce legislation with broad bipartisan support from Republicans and Democrats to deliver much-needed relief to these small businesses.”

Car dealerships often use the Last-In First-Out (LIFO) inventory method, which requires that dealers of new vehicles maintain a minimum level of inventory at year's-end or risk triggering a large tax bill. With fewer vehicles being produced due

to semiconductor shortages, car dealers have struggled to maintain inventory, triggering large, unexpected tax liabilities for many dealerships. These tax bills would not have taken place without global supply chain disruptions...[keep reading](#)

Why Bond Through MADA?



[Tuesday's message](#) from the Michigan

Department of State accidentally sent some

dealerships into panic mode about the \$25,000 surety bond requirement.

Fortunately it was a notice sent in error, but it's a great segue for MADA to remind dealers about the benefits of bonding with MADA's Dealers Insurance Agency (DIA).

- You know exactly who to contact if there is a question or concern about your bond - and we are exclusively in the dealership business so we know dealer bonds and regulations!
- Our partnership with Merchants Bonding Company allows MADA to provide our members with competitive rates and multi-year discounts. (As a member, credit approval is not necessary.)
- DIA bonds renew on Dec. 31 to match the dealer license renewal timeline.
- We will work with you to make the application and renewal process seamless. Plus, if your renewal invoice gets lost in the mail or overlooked (actual reason for a recent switch to DIA), we will contact you directly so the bond stays active and you don't end up with a license suspension or cancellation!

If your dealership is looking for a new option when it comes time to renew your surety bond at the increased \$25,000 bond amount, give MADA a call! DIA is committed to providing the best coverage available, and we are pleased to have the strength of Merchants Bonding Company backing this program.

Call (800) 292-1923 | Email mbrenke@michiganada.org

SENATE FISCAL AGENCY

December 2022 Revenue Report

The Senate Fiscal Agency recently release revenue numbers for December 2022.

Following are a few highlights from that [report](#).

- **General Fund tax collections** were \$94.7 million above the expected level for December, while **School Aid Fund tax collections** were \$19.3 million below

the forecasted level.

- **Net income tax revenue** totaled \$1.2 billion in December 2022, a 2.7% increase from December 2021, and \$81.3 million less than the forecasted level. **Withholding payments** (which represented the majority of gross income tax revenue) were 0.8% above the year-ago level and \$25.0 million less than the level expected based on SFA monthly estimates.
- **Sales tax receipts** totaled \$893.8 million in December 2022, a 0.3% increase from the December 2021 level and \$45.5 million below forecast. **Use tax collections** totaled \$201.3 million in December 2022 and were down 2.4% from the December 2021 level.
- **Motor vehicle sales tax** totaled \$109.2 million for the month of December 2022, up 0.8% from one year ago. The fiscal year-to-date total was \$222.5 million, down 4.0% from the year-ago level.



Keep Reading

CAPITOL CORNER

This week's legislative news from MIRS, provided by the Auto Dealers of Michigan, LLC.

- Gov Signs Presidential Primary Bill . . . But It's Not Over
- SOAR: Savior Or Slush Fund
- Debt Collection Suit References Grand Jury Investigation Against Ex-Speaker Johnson
- Changing Senate Rules On IE? No Conversations
- Delivery, Installation Tax Bills Resurface From Republicans In A Negotiation Hot Zone

NEWS AROUND THE WEB



Michigan Employers Avoid Strict Paid Sick Leave Law and Minimum Wage Hike - For Now: 2 Steps Employers Should Take

Fisher Phillips | As this saga is not over yet, there are two steps employers can take now while we all

Automotive News

Mazda dealerships to settle F&I pricing case with Mass. AG for \$350K

[We share this as a reminder that the topic of finance discrimination and add-on fees continues to receive significant attention.]

The parent company of two Massachusetts Mazda dealerships will pay \$350,000 to settle allegations the stores charged Black and Latino customers more for finance-and-insurance products than white customers, the state attorney

wait to see how the Michigan Supreme Court rules:

1) You should ensure that at least one of your paid leave policies complies with the PMLA...

general's office said. The company said it has for years "vehemently denied" the allegations but agreed to settle to quit spending time on the case.

[Read More](#)

[Read More](#)

MEMBER NEWS

Grand Rapids Dealers Support Life Saving Care

After a two year pause for the pandemic, the Grand Rapids New Cars Dealers Association presented its annual Charity Spectacular on Wednesday to support the Helen DeVos Children's Hospital Foundation. It is a great community event, highlighted by a talent show from children receiving care at the hospital. The event provides a preview of the Michigan International Auto Show, before it opens to the public.

This year the auto show preview featured two talented singers. Leah, who was joined by her father on guitar, and Evangeline. Learn more about these amazing girls [here](#).



Special Guest, SOS Benson

Michigan Secretary of State Jocelyn Benson also attended the auto show preview and participated in the ribbon cutting and grand opening of the auto show, where she saw everything from an original Model T to state-of-the art electric vehicles.



Save the Date!

EDUCATIONAL OPPORTUNITIES

Federated Insurance (Feb. 21) [Risk Management Culture and Leadership](#)

BCBS (Feb. 23) [HR Master Class: Holistic Employee Well-being](#) The state of the workforce has changed since the pandemic. Employers are

NADA Show 2024
Feb. 1-4 in Las Vegas

now focusing on bringing a culture of well-being to their workplace. Between retention issues and the talent gap, supporting employees has become more important than ever.

HIGHLIGHTING OUR 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 succession planning.

[Website](#)



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 solutions, we help put your vision into action.

[Website](#)



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MADA Fast Facts



Feb. 10, 2023

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MIOSHA COMPLIANCE

Dealers Seeing Increased MIOSHA Activity & Citations

The Michigan Occupational Safety and Health Administration (MIOSHA) has recently increased the number of inspection staff. MADSIF has notified us that MIOSHA has also increased inspection activity and fines. Some dealers have seen fines of \$8,000 - \$11,000 for being out of compliance.

Dealers are encouraged to regularly review their hazard communication and compliance plan to ensure the dealership maintains compliance. All staff should also be properly trained. This [compliance guide from MADSIF](#) is a helpful tool so dealers know what to do as part of their regular business operations. It also explains what to do when a MIOSHA inspector shows up at your door, and options for handling citations.

Common MIOSHA Inspection Citations

- Electronic Eyes on Automatic Overhead Doors
- Hoists & Lifts w/ Expired Inspections
- Hazard Communication, including Right-to-Know Training (*Inspectors are having private discussions w/ employees asking about training*)
- Blocked Emergency Exits
- Oxygen & Acetylene Cylinders Stored Together
- Employees NOT Wearing Safety Glasses w/ Hand & Power Tools
- Failure to Conduct Annual Respirator Fit Tests
- [See this handout for more common violations](#)

MADA members are fortunate to have a partner that can help dealerships maintain compliance and handle claims administration. MADSIF, or the Michigan Auto Dealers Self-Insured Fund, is a **Michigan auto dealer owned and operated** group self-insured workers' compensation fund. MADSIF's loss control team can conduct a compliance review at your dealership and help you prepare for a potential MIOSHA inspection.

Dealers currently participating with MADSIF can discuss their hazard communication and compliance plan by contacting Ken Smylie (248-915-7403 |

kmylie@crsmi.com) or Scott Van Den Bosch (616-460-4554 | svandenbosch@crsmi.com).

For more information about how MADSIF is supporting Michigan dealers please contact Jennifer Monkiewicz, MADSIF Fund Administrator (866-919-9578 | jmonkiewicz@madsif.com).



[Learn More](#)

NEWSLETTER SPONSOR

ACV, the leading digital automotive marketplace and data services partner for dealers and commercial partners. From sourcing to selling, and everything in between, ACV helps dealers win by providing robust data that helps acquire core inventory, manage vast assets, merchandise, and market vehicles, and wholesale cars. Enjoy exclusive MADA member benefits!

MADA MEMBER WEBINAR

Building a Strong, Healthy Used Car Department

Wednesday, February 22 | 2:00 pm, Zoom



The new year is here. And with that comes the potential for trying times as used car departments transition out of the holidays. Many dealers will be out of shape and bloated by high-cost aged units, wrong product mix, grosses dropping, and expenses rising. The days of putting anything on the lot at an inflated price are quickly vanishing beneath our feet. Simply put, we have to get back to inventory management and strong processes.

Join MADA Preferred Partner, ACV, in this webinar where you'll learn how to create a plan of action to build a strong and healthy used car department.

[Register: ACV Webinar](#)

This workshop will cover 8 steps to get your used car department in shape:

1. Getting a check-up on what tools and marketing you are paying for currently, as well as making sure you are using the right ones, utilizing them, and they are producing results for you.
2. Reducing your overall unit cost.
3. Reducing your cost to market.
4. Top appraisal techniques to trade for more vehicles and avoid costly mistakes.
5. Making sure your inventory matches your customers and your lenders.
6. Stocking the right vehicles for faster turns and higher profits.
7. Top sources of inventory.
8. Top methods to drive more traffic to your inventory.

MADA VIRTUAL BOARD MEETING

Wednesday, February 22 | 10:00 - 11:00 am, Zoom

All MADA dealers are invited to log in for this month's virtual board meeting.

Dealers will hear an overview of association activities, plus legal and regulatory updates.

[Register: Board Meeting](#)

ALERT: Straw Buyer Purchase of Luxury Vehicles

It appears there is a straw buyer situation going around where someone (or multiple people) are visiting dealerships in Michigan and out of state to purchase high-end luxury vehicles. A business check (not a cashier's check) is provided for the full vehicle price - from Chase bank, made out to the dealership.

The check reads "OFFICIAL CHECK" in the top left address block. But there is no bank or branch address listed. The account number used is the same each time. The name of the buyer is noted in the memo line, but the name varies. This person is not the owner of the account.

At least in a recent Michigan situation, the car has not yet been released to the individual, pending further information. The dealership's bank has requested information from the customer to confirm the original source of the funds. The customer is not interested in providing that information. Until then the bank cannot validate the check. In the meantime, the customer continues to send demanding texts to the dealership.

It is believed that the person issuing the check may be using straw buyers around the U.S. to purchase luxury vehicles in a buyer's name, then transferring ownership sometime after delivery.

General reminders for vehicle transactions

These apply whether or not the situation raises red flags.

- Bank checks must be validated prior to the release of the vehicle.
- Get a color copy of the driver's license, preferably in a digital format. If the transaction does require involvement from law enforcement, a nice color copy is a lot easier for police to work with.

Honda Upgrades Takata Alpha Recall to “Do Not Drive”

Honda has issued a “Do Not Drive” warning for certain 2001-2003 Acura and Honda vehicles equipped with unrepaired Takata Alpha driver side air bag inflators. If you own one of these vehicles and still have an open Takata air bag recall, do not drive it until this urgent, lifesaving recall has been completed. Replacement parts are available now for free for this recall.

- [Feb. 3 NHTSA announcement](#)
- Check used vehicles for recalls <https://www.nhtsa.gov/recalls>

NEWS FROM NADA

IRS Clarifies Which New Vehicles Qualify for the Section 30D Clean Vehicle Credit



The Internal Revenue Service has revised how it [classifies vehicles](#) potentially eligible for a Section 30D Clean Vehicle Credit. As a result, more new battery electric (BEV), plug-in hybrid electric (PHEV), and fuel cell electric vehicle (FCEV) models/trim levels are now considered “SUVs, vans, and pick-ups” for purposes of the credit’s \$80,000 MSRP cap. All other BEV, PHEV, and FCEV make/models (e.g., sedans, coupes, station wagons, etc.) are subject to a \$55,000 MSRP cap.

The revised vehicle classifications are based on those in www.fueleconomy.gov, a shopping resource commonly used by both dealers and prospective purchasers, and apply retroactively to January 1, 2023. A listing of which make/models fall under which MSRP cap is available [here](#).

Note: Some BEVs, PHEVs, and FCEVs sold since January 1, 2023, may now be potentially eligible for a Section 30D Credit where they weren’t before. Consequently, selling dealers should be prepared to provide purchaser-taxpayers with a Section 30D Clean Vehicle Credit report form as necessary. [See IRS FAQs, Topic B, Questions 7 and 9.](#) A sample Section 30D report form is found on the [NADA Regulatory Affairs Alternative Fuel Vehicle and Refueling Incentive EV Incentive Webpage](#) (login required) along with materials addressing the Section 30D and other the Inflation Reduction Act EV incentives.



CAPITOL CORNER

- Gov's Tax Plan Passes House After 24-Hour Standoff
- Brinks Pledges Response After Republicans Adjourn Senate
- Wegela Turns Down Deal To Retire Inkster School Debt

- What's Mueller's Future With House R's After 'Yes' Vote?
- ELCRA Expansion Bill Clears Senate's Civil Rights Committee

NEWS AROUND THE WEB



How to protect your dealership from cyber-attacks

AT&T Cybersecurity Blog | Recent trends show that car dealerships are becoming a prime target for cyber-attacks, partly due to the rise in autonomous and connected vehicles. Throughout this article, we will focus on how to protect your car dealership from cyber-attacks, from technological solutions to raising staff awareness, and more.

[Read More](#)

[MADA note: dealers are reminded of the approaching Safeguards Rule compliance deadline. [ComplyAuto](#) is available to help dealers. Also continue working with your technology team to make sure you are up to date.]



'23 buy-sell activity to build off busy '22, '21

Automotive News | Dealership brokers and retail consultants predict another brisk year of buy-sell activity in 2023 despite rising interest rates, expectations of flat or lower store profits and the possibility of a recession.

And while there's a mix of predictions on how many buy-sell deals will happen in 2023, some professionals arranging transactions and dealers looking to acquire stores indicate it's just as busy as the previous two years.

[Read More](#)

MEMBER NEWS

Vic Canever Chevrolet Donation Benefits Parks and Trails

For more than 50 years, Vic Canever Chevrolet has served the community with a strong sense of family and sincere concern for customers. It is with that commitment that Vic Canever Chevrolet is donating \$25,000 to LAFF (Linden, Argentine, Fenton Township and Fenton) Pathways Inc. This donation from Vic Canever Chevrolet joins hands with other generous donors in the construction of trails and parks in the area.

The LAFF Trail initiative began in 2009 with a group of dedicated residents in southern Genesee County who shared a desire to have a multi-community, non-motorized trail that extends from Argentine Township through the city of Linden and Fenton Township to the city of Fenton...[keep reading](#)

EDUCATIONAL OPPORTUNITIES



GM Executive MBA Program at Northwood Univ.

Northwood University has a 50 year history of educating the automotive industry. The university's DeVos Graduate School offers a rigorous Executive MBA Program to help prepare General Motors corporate and dealership employees for leadership positions. The GM Executive MBA is a fully accredited, two-year online program that features a customized automotive curriculum and interactive, problem-based learning from the industry's most prominent leaders. Learn more at <https://devos.northwood.edu/gm-emba>



DADA "Q'd Up Live" virtual legislative presentation

Wednesday, March 1 @ 9:00 am, via Zoom [REGISTER](#)

Please join Kurt Berryman and Senator Jeremy Moss for the Spring Legislative Update! A look at the first 60 days of the legislative session. Senator Moss is proud to serve Michigan's 7th Senate District which includes all of Auburn Hills, Bloomfield Hills, Bloomfield Township, Lake Angelus, Lathrup Village, Pontiac, Southfield, and parts of Detroit, Southfield Township, and Waterford Township.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

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MADA Fast Facts



Feb. 17, 2023

Vol. 25 | Issue 7

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RECREATION PASSPORT

March 1, 2023 Fee Increase

Michigan's parks and recreation system is largely self-supporting. Funds derived from the Recreation Passport go right back into maintaining and improving outdoor spaces and protecting natural resources for the next generation.



Beginning March 1, 2023 the [Recreation Passport will increase](#) from:

- \$12 to \$13 for vehicles
- \$6 to \$7 for motorcycles and
- \$24 to \$26 for two-year registrations

This increase is due to a statutory provision to adjust the fee based upon the Consumer Price Index. The fee structure ensures that rates are keeping pace with the economy. This is the first increase in three years.

For dealers on the CVR system, the correct Recreation Passport fee will be updated and automatically calculate on March 1, 2023.



[Learn More](#)

NEWSLETTER SPONSOR

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New Employment Protections for Pregnant and Nursing Mothers



The [Pregnant Workers Fairness Act \(PWFA\)](#) and [Providing Urgent Maternal Protections for Nursing Mothers \(PUMP\) Act](#) were signed into law in Dec. 2022, expanding federal protections for pregnant and nursing employees and clarifying the rights and treatment of working mothers. They attempt to align with mandates under Title VII of the Civil Rights Act, the Pregnancy Discrimination Act, the Americans with Disabilities Act, and various state laws.

Pregnant Workers Fairness Act

[Effective June 27, 2023](#), dealerships with 15 or more employees must determine reasonable workplace accommodations for pregnant applicants and employees with pregnancy- or childbirth-related conditions and must provide such accommodations unless doing so would impose undue hardships. The PWFA makes it an unlawful to:

- Fail to make reasonable accommodations for known limitations related to a qualified employee's pregnancy, childbirth, or related medical condition.
- Require qualified employees affected by pregnancy, childbirth, or related medical condition to accept accommodations not arrived at through an interactive process.
- Require qualified employees to take a paid or unpaid leave of absence if other reasonable accommodations can be provided.
- Take adverse employment actions (retaliate) against qualified employees based on their request for or use of PWFA-related reasonable accommodations.

The Equal Employment Opportunity Commission is expected to issue rules by December 2023 that include examples of reasonable accommodations.

Providing Urgent Maternal Protections (PUMP) for Nursing Mothers Act

[Effective December 29, 2022](#), dealerships must provide nursing employees with reasonable break time and private locations (other than restrooms) to pump breast milk for up to one year after the birth of a child. The break time need not be paid unless the dealership otherwise compensates employees for breaks. Dealerships with fewer than 50 employees are exempt if they can show an undue hardship. Employees must provide employers with a notice of any alleged failure to comply and wait 10 days for a remedy before initiating an action. This notice period is waived for employees terminated in retaliation for requesting a space to pump breast milk or for opposing a refusal to provide such a space.

What this Means for Dealers

Dealership policies and procedures should be evaluated and modified as necessary to address accommodation requests from pregnant and nursing employees and those with childbirth-related medical conditions. Training may be necessary for personnel responsible for fielding and administering such accommodation requests.



> > [Register here](#)



A/B Dealer Compliance Checklist

The Michigan Department of State (MDOS) has **updated** its vehicle dealer compliance checklist to incorporate revisions to the Michigan Vehicle Code.

For a comprehensive list of compliance requirements, dealers should consult the dealer manual. However, for your convenience MDOS has created this [A/B dealer checklist](#) that can be used for a quick reference of items that will be inspected.

While not recently updated, MDOS also offers this [repair facility checklist](#).

SUPPORT FOR NADA DRIVEN GUIDE

Dealership Must Adopt NADA F&I Product Pricing Policy as Part of Settlement

A recent [\\$350,000.00 settlement](#) between the Massachusetts Attorney General and a dealership group clearly displays confidence in the *Model Dealership Voluntary Protection Products (VPP) Policy* developed by NADA, NAMAD and AIADA.



The AG alleges that the dealership engaged in unfair, deceptive and discriminatory pricing of “add-on” products sold to Black and Hispanic consumers. The dealership has stated that it denies the allegations, but agreed to settle for \$350,000 to quit spending time on the case.

As part of the settlement, the dealership is also required to adopt and follow the model dealership VPP policy, which was recognized by the Massachusetts AG as a way to decrease the likelihood of pricing disparities in the future.

This [Driven Guide and a customizable template](#) are available at no cost to all NADA members. It provides dealers with an optional policy, instructions and disclaimers for using the template, while the template provides an editable document that a dealer can tailor to their own situation.

Many dealers have already utilized the guide and template to develop VPP policies that ensure these products are offered, sold and administered in a professional and consumer-friendly manner. If you are not familiar with this guide, MADA encourages you to check it out.



Keep Reading

CAPITOL CORNER

- Gov's Tax Plan OK'd 20-17; I.E. Defeated; Dems Threaten Rule Change
- Bellino's Leadership Post Eliminated; He, Lauwers Stripped Of Several Committee Assignments
- MSU Gunman Felt 'Slighted'; Had Loaded Magazines, 50 Rounds Of Ammo
- Senate Dems Introduce 11 Gun Safety Bills -- Red Flag, Safe Storage, Background Checks

NEWS AROUND THE WEB



5 Ways to Shake Off the Winter Blues - A Healthier Michigan

BCBS | It's dark when we get up. It's dark by dinnertime. Sunny skies are scarce and it's cold outside. Why is it that during the winter our moods can so easily match those gray, overcast skies? If you're like a lot of people, you have probably wrestled with a bout of the cold-weather inactivity. But there are some easy ways to shake it off, feel better and beat those winter blues.



Reading the tea leaves: Potential tax legislation in the new Congress

Fenner Melstrom & Dooling, PLC | The 2022 mid-term election has shifted the scales in Washington, D.C., with the Democrats no longer controlling both houses of Congress. While it remains to be seen if — and when — any tax-related legislation can muster the requisite bipartisan support, a review of certain provisions in existing laws may provide an indication of the many areas ripe for action in the next two years.

Read More

MEMBER NEWS

Randy Wise Automotive Team Contributes to Pathway

LAFF Pathways is getting a lot of support from area dealers! The Randy Wise Automotive Team has donated \$25,000 to the Southern Lakes Parks and Recreation (SLPR) LAFF Silver Lake Trail fund.



For The State Bank Trail, LAFF Pathways and SLPR have received approval for grants totaling just over \$1.8 million and locally raised over \$790,000 toward a project estimate of almost \$2.9 million.

Randy Wise Automotive Team places a huge emphasis on community outreach in each of its dealerships from involvement through volunteerism, the local school systems, food banks and local nonprofits and charitable organizations...[read more](#)



Lansing Man Will Go to His 57th Super Bowl With Friends

How much has the NFL's Super Bowl changed since its debut in 1967? For Greg Eaton — the Lansing businessman [and long-time friend of MADA] who has attended every game and is one of three surviving members of the storied *Never Miss A Super Bowl Club* — it's most obvious by the bells and whistles that go with it.

“During that first game, it was college bands performing as entertainment, and that’s how it went those first few years,” said Eaton, partner at Karoub & Associates in Lansing. “Now, you have big name entertainers performing and so many other things tied to it. The NFL has done an amazing job marketing this.”

As he looked back, Eaton recalled having to stay in separate hotels from his white friends attending an early Super Bowl in Florida in the Jim Crow South. It was a different era. And although Eaton doesn't have any “skin in the game” on who wins Sunday, he's particularly proud both teams are led by African American quarterbacks for the first time in the game's history — the Chiefs' Patrick Mahomes and the Eagles' Jalen Hurts...[read more](#)

MADA CALENDAR



May 10
MADA Spring
Dealer Meeting

Sept. 12
MADPAC golf
outing

MADA Board Meeting (Feb. 22 @ 10:00 am) This meeting is open to all MADA dealers. [REGISTER](#)

Fisher Phillips (Feb. 28) [What to Expect from OSHA in 2023: An Employer's Guide to Developments in Workplace Safety](#)

DADA "Q'd Up Live"
Mar. 1 @ 9:00 am, via Zoom [REGISTER](#)



Please join Kurt Berryman and Senator Jeremy Moss for the Spring Legislative Update! A look at the first 60 days of the legislative session. Senator Moss is proud to serve Michigan's 7th Senate District which includes all of Auburn Hills, Bloomfield Hills, Bloomfield Township, Lake Angelus, Lathrup Village, Pontiac, Southfield, and parts of Detroit, Southfield Township, and Waterford Township.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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[Website](#)

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MADA Fast Facts



Feb. 24, 2023

Vol. 25 | Issue 8

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MADA BOARD MEETING RECAP

Legal Update Provided by Colombo & Colombo, P.C.

We would like to thank the board members and other dealers who joined us this week for the virtual MADA board meeting.

Alycia Wesley from Colombo & Colombo, P.C. provided us with an update on current legal "hot topics" dealership attorneys are seeing around the state. Following is a brief recap of discussion topics.

Notice of Assignment of Secured Interest in a Vehicle (TR-210)

It is highly recommended that dealers add the [MDOS form TR-210](#) to the list of forms signed by a customer during every vehicle transaction. By completing this form, the purchaser authorizes the dealer to assume the loan and finance the vehicle if the initial secured interest listed on the original RD-108 decides not to finance the vehicle. Please review the slide deck linked below for additional explanation and guidance.

Make Sure Employees Are Aware of Business Policies - And Follow Them

A Michigan dealer is currently faced with a federal race discrimination lawsuit, alleging the dealership wouldn't let three potential customers test drive high-end luxury vehicles unless they paid a deposit up front or consented to a hard credit pull. This situation highlights why it is so important to implement uniform customer and employee policies -- and make sure your employees apply the dealership policies to all situations.

Authorization to Withhold Wages

Employee wages may need to be withheld for numerous reasons, such as stolen property or a financial error made by the employee. A business owner generally cannot withhold wages unless the employee provides written consent for the decrease in pay. There are certain exceptions to this law. For example, an employer may deduct a previous overpayment of wages/fringe benefits from regularly scheduled wage payment without written consent -- under certain situations.

The Colombo & Colombo slide deck, [available here](#), provides more detail on these legal topics.

If you have additional questions on these topics, please consult with your legal professional or contact MADA at (800) 292-1923.



[Learn More](#)

NEWSLETTER SPONSOR

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FTC REMINDERS FROM COMPLYAUTO

A Delay in the Safeguards Rule, But Dealers Should Not Wait

By Hao Nguyen, Esq. | Chief Legal Officer, ComplyAuto



In this article, we discuss the Federal Trade Commission's ("FTC") delay of the effective date of the revised Safeguards Rule ("Rule") and its practical impact to your dealerships. We will then explain why you should not wait to implement data protection and cybersecurity safeguards at your dealership because the FTC will still come after you under another section of the FTC Act that gives them broad authority.

Safeguards Rule – Some Requirements Delayed Until June 9, 2023

The FTC gave dealers across the country an early Christmas present when it announced on November 15, 2022 that it is extending the deadline for the Rule by six months. However, it is important to note that this extension only affects some of the requirements and will make them effective on June 9, 2023. Specifically, the provisions that have been extended to June include the following:

- Designating a qualified individual to oversee the information security program;
- Completing written risk assessments;
- Monitoring the access and use of sensitive customer information;
- Completing a penetration test & vulnerability scan;
- Encrypting systems containing customer information;
- Training employees on security awareness;
- Conducting Vendor & Service Provider risk assessments;
- Implementing multi-factor authentication (MFA) on all systems containing customer information; and

- Creating and updating a device and systems inventory.

Notably, **the provisions that have not been delayed (and never were) are:**

- Creating a written Information Security Program (ISP) for your organization;
- Obtaining signed contracts from your vendors (“Service Providers”) who collect customer information promising to implement reasonable safeguards;
- Periodically assessing your Service Providers to ensure that they have reasonable safeguards in place; and
- Implementing a system capable of detecting attacks and intrusions on your network.

MADA encourages dealers to [read the full article](#) from ComplyAuto, which provides much more detail on these two topics:

- **Why dealers should not wait to implement Safeguards Rule solutions**
- **FTC using its broad authority under Section 5 for cybersecurity concerns**

If you’re feeling behind or overwhelmed, ComplyAuto can help. Send a message to info@complyauto.com or visit the company website at www.complyauto.com to learn more about the company's “one-stop-shop” solution for the Safeguards Rule and its Compliance Guarantee.

WEBINAR RECAP: Areas For Success in Your Used Car Dept.

Randy Barone with ACV spoke with with 70+ MADA dealers and used vehicle employees this week to provide current insight on the state of the pre-owned industry. He provided expert guidance on acquiring the best vehicles for your specific location, top appraisal techniques, why some cars on your lot aren't selling, and suggestions to make the most of the programs you are paying for. For a copy of the webinar slides with the appraisal checklist pictured here, email news@michiganada.org.

Appraisal	Checklist
<input type="checkbox"/> Drive Every Vehicle	<input type="checkbox"/> CK power roof
<input type="checkbox"/> View Carfax/Autocheck	<input type="checkbox"/> CK Radio/Entertainment
<input type="checkbox"/> Make sure vehicle has VIN Plate	<input type="checkbox"/> Turn on headlights
<input type="checkbox"/> Take pics of front, back, sides	<input type="checkbox"/> Start vehicle and rev motor
<input type="checkbox"/> Take pics of Damage inside and out	<input type="checkbox"/> Diesel CK Factory Exhaust
<input type="checkbox"/> CK for signs of rust wheels/underneath	<input type="checkbox"/> Drive long enough to see ODO move
<input type="checkbox"/> Turn wheel to expose full tire tread	<input type="checkbox"/> Turn 180 both ways listen for noise
<input type="checkbox"/> Take pic of tire tread	<input type="checkbox"/> While driving hit brakes hard
<input type="checkbox"/> Take pic of Dash and Odometer	<input type="checkbox"/> Auto trans drive fast enough to feel shift
<input type="checkbox"/> Take pic of Interior	<input type="checkbox"/> Manual trans take off in 2nd or 3rd gear
<input type="checkbox"/> Check wheels for scrapes	<input type="checkbox"/> Open Hood look for leaks/smells
<input type="checkbox"/> If paintwork or bad Carfax inspect further	<input type="checkbox"/> Oil cap look for sludge
<input type="checkbox"/> Check AC if cold out feel it come on	<input type="checkbox"/> Under hood look for bolts turned on HIF
<input type="checkbox"/> Check Heater	<input type="checkbox"/> Open trunk look for damage/Water
<input type="checkbox"/> CK power windows and locks	<input type="checkbox"/> Check for spare car/ Truck underneath
<input type="checkbox"/> CK for warning lights	<input type="checkbox"/> If 4x4 Put in 4x4 turn wheel feel it work
<input type="checkbox"/> CK power seats	<input type="checkbox"/> Check windshield

NEWS FROM NADA

Clean Vehicle Credit Report Form

The Internal Revenue Service (IRS) recently revised how it

[classifies vehicles](#) potentially eligible for a Section 30D Clean Vehicle Credit. As a result, more new battery electric (BEV), plug-in hybrid electric (PHEV), and fuel cell electric vehicle (FCEV) models/trim levels, are now considered “SUVs, vans, and pick-ups” for purposes of the credit’s \$80,000 MSRP cap. All other BEV, PHEV, and FCEV make/models (e.g., sedans, coupes, station wagons, etc.) are subject to a \$55,000 MSRP cap.



The revised vehicle classifications are based on those in www.fueleconomy.gov, a shopping resource commonly used by both dealers and prospective purchasers; please note that the **revisions apply retroactively to January 1, 2023**. A listing of which make/models fall under which MSRP cap is [available here](#). Please note that some BEVs, PHEVs, and FCEVs sold since January 1, 2023, may now be eligible for a Section 30D Credit where they weren’t before.

Consequently, selling dealers should be prepared to provide purchaser-taxpayers with a Section 30D Clean Vehicle Credit report form as necessary. [Please see IRS FAQs, Topic B, Questions 7 and 9](#). A sample Section 30D report form is found on the NADA Regulatory Affairs Alternative Fuel Vehicle and Refueling Incentive EV Incentive Webpage (nada.org/ev-incentives) along with materials addressing the Section 30D and other the Inflation Reduction Act EV incentives. Questions may be directed to regulatoryaffairs@nada.org.

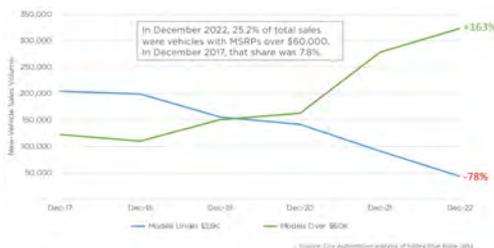


CAPITOL CORNER

Keep Reading

- Ford's Marshall Plant Will Include No Foreign Investment
- Firearm Reform Hearings Could Start Next Week
- Poll On Whitmer For President: 49% Say 'Who's She?'
- DeSantis Up 5 On Trump In Michigan
- Michigan Retail Sales Rebound In January

NEWS AROUND THE WEB



Seismic Shift: The U.S. New-Vehicle Market is Becoming a Luxury Market

Cox Automotive Inc. | For many current

Employers Must Draft Severance Agreements with Caution After NLRB Renders Critical Provisions Unlawful: 9 Crucial Questions Answered

Fisher Phillips | A pendulum-

car shoppers, new-vehicle prices are about as enjoyable as a sharp stick in the eye. All the reasons are well documented – supply disruptions, low inventory, new technology, higher interest rates, and automakers focused on high-earning buyers. With the average manufacturer’s suggested retail price (MSRP) now close to \$50,000...

[Read More](#)

swinging decision from the National Labor Relations Board yesterday means that severance agreements - in both unionized and non-union workplaces - could once again be deemed unlawful if they could be construed to broadly restrict a worker's rights to speak about the agreement or otherwise talk negatively about their former employer, among other things.

[Read More](#)

MEMBER NEWS

Dancing to Raise Funds for the United Way of Gratiot & Isabella Counties

On March 16, Alma College will hold its Arts United event to raise money for United Way of Gratiot & Isabella Counties. During the show, attendees will be able to bid on a variety of artwork in the silent auction, as well as enjoy a variety of music, song, dance, and theatrical performances from both the local and Alma College communities. **The eight dance couples performing that night (including Team Malloy of Alma CJDR) will be working hard not only on their dance routine, but fundraising efforts as well.** Support your favorite dance team by visiting www.uwgic.org/artsunited!



EDUCATIONAL OPPORTUNITIES

MADA CALENDAR



May 10
MADA Spring
Dealer Meeting

Sept. 12
MADPAC golf
outing

DADA “Q’d Up Live” virtual legislative presentation
Wednesday, March 1 @ 9:00 am, via Zoom [REGISTER](#)

MIOSHA (ongoing) [When MIOSHA Enforcement Visits Online Course](#). 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.

Fisher Phillips (Mar. 23) [Employment and Benefits Issues Arising From Mergers and Acquisitions](#)

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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.

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MADA Fast Facts



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MORE FROM THE MADA BOARD MEETING

A number of dealers requested further clarification on the TR-210 form discussed during the recent MADA board meeting. Please see the following and let MADA know if you have additional questions on this topic.

Notice of Assignment of Secured Interest in a Vehicle (TR-210)

Delivery occurs when the RD-108 or title is signed and the vehicle leaves the lot. Once delivery happens, by law, dealers must apply for title and registration reflecting the lender to whom the installment sale contract was assigned as the first secured party on the title.

If the original lender subsequently rejects the assignment of the installment sale contract, it then becomes the dealer's responsibility to offer financing to the purchaser under the same terms (e.g., interest rate, payment schedule, etc.) as the original contract. If that occurs, in order for the dealer to be listed as the new secured party on the title, it must present form TR-210 signed by the customer to the Department of State along with TR-209 or a release of lien from the original lender.

Once that happens, the dealer will be listed as the secured party on the title for the vehicle and if the customer stops making payments (to the dealer), the dealer will have rights under the default provisions of the contract and State law to repossess the vehicle.

Process for Dealing With Reassignments

At time of purchase - have customers sign "Notice of Assignment of Secured Interest in a Vehicle" ([TR-210](#))

After receiving reassignment from lender

1. Send "Notice of Rejection of Assignment" ([TR-209](#)) letter to customer.
2. Submit TR-209 and TR-210 to MDOS to place dealer as secured interest on vehicle's title.

3. Collect payments under the Retail Installment Contract/Lease
4. If/when customer defaults (typically missed payment), you may repossess the vehicle
5. Send Article 9 "Notice of Our Plan to Sell Property" ([MCL 440.9614](#))
6. Wait 15 days (redemption period) before selling the vehicle for fair market value
7. Sell vehicle
8. Once vehicle sold, send "Explanation of Calculation of Surplus or Deficiency" ([MCL 440.9616](#))
9. Complete the "Certificate of Repossession" ([TR-10](#))

Without a TR-210 signed by the customer, it will take a **lawsuit** to place the vehicle in the dealership's name.



[Learn More](#)

NEWSLETTER SPONSOR

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STATE FORMS AND PUBLICATIONS

Are Your Bookmarked Pages Broken?

You may remember that the Secretary of State had a major website upgrade last year. Many previously bookmarked pages were changed, some were redirected and others simply disappeared.

Dealers may want to bookmark the [MADA licensing topics webpage](#). We try and keep this page updated with commonly requested licensing information and links (manuals, important bulletins, checklists, etc.). The state also offers this searchable [forms and publication](#) page.

Still can't find something? Email us at news@michiganada.org or call (800) 292-1923.

Vehicle Sales Tax Trade-in Credit FAQs

The Michigan Department of State provides dealers with a frequently asked questions handout to assist with potentially unique trade-in requests. Following are a few FAQs from the handout. (View the full FAQ [here](#).)



Q.) Can a trade-in sales tax credit be applied to a lease vehicle transaction?

A.) No, the trade-in credit laws do not provide for trade-in tax sales tax credit for leased vehicles. (The state clearly notes that a vehicle with a current lease cannot be used as a trade-in.)

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.

RECREATION PASSPORT

Reminder: Fee Increase Now In Effect

[Recreation Passport fees](#) increased on March 1, 2023. The new fees are as follows:

- One-year vehicle registration - \$13
- Two-year vehicle registration - \$26
- Motorcycle registration - \$7 (for both one- and two-year registrations)

For dealers on the CVR program, the fee has been updated in the system.

NEWS FROM NADA

2023 NADA Dealership Workforce Study

NADA AND MADA encourage you to please [enroll now](#). Participation is essential to the value of the data analyzed and provided to you in the reporting. Participation of Michigan dealerships allows for better comparison data for our member dealerships. Let's represent Michigan, increase participation and support each other.

[Click here](#) for a preview of what dealers receive for participation.

The link above also includes a video demonstration of NADA's online database tool, which allows participants to create custom searches of 60+ positions for compensation and tenure data filtering by state, brand, sales volume, luxury or non-luxury, zip code radius and more.



Sample Dealership Scorecard
Your Peer Group: Non-Luxury

Key Employment Metrics	Position	Your Dealership	Your Peer Group	Your Percentile Rank		
				25	50	75
Average Compensation	All Positions	\$84,471	\$74,163			
Average Tenure	All Positions	8.1 yrs	7.5 yrs			
Median Tenure	All Positions	3.9 yrs	3.9 yrs			
One-year Retention	All Positions	83.8 %	79.2 %			
Three-year Retention	All Positions	57.6 %	55.5 %			
Annualized Turnover	All Positions	20.2 %	42.3 %			
Average Compensation	All Dept. Managers	\$132,853	\$120,276			
Average Tenure	All Dept. Managers	8.6 yrs	10.7 yrs			
Median Tenure	All Dept. Managers	5.1 yrs	7.1 yrs			
Three-year Retention	All Dept. Managers	62.5 %	73.3 %			
Annualized Turnover	All Dept. Managers	25.0 %	21.9 %			
Average Compensation	Sales Consultants	\$99,698	\$80,089			
Average Tenure	Sales Consultants	11.6 yrs	6.2 yrs			



Keep Reading

- Ford Mega-Site Supplemental Heads To Governor
- Rogers Talking 'Reigniting American Dream' In Early Presidential Primary States
- High Court Hears Arguments On No-Fault Reform Law
- Lansing Mayor Dips Toe Into MI-7 Run With Exploratory Congressional Committee
- Whitmer Approval Ratings At 54%; Biden's At 35.3%

NEWS AROUND THE WEB



The National Electric Vehicle Infrastructure Program Gets Rolling

Citizens Research Council of Michigan | Michigan is set to receive \$110 million in federal funding from the National Electric Vehicle Infrastructure (NEVI) program. This program will fund the installation of public electric vehicle charging stations across the state. NEVI is designed to demystify electric vehicle charging while expanding availability. Charging stations will be standardized so that users know what to expect.

Read More



Fear of Self-Driving Cars on the Rise

AAA | The results of AAA's annual automated vehicle survey show that while there is still a high level of interest in partially-automated vehicle technology, attitudes toward fully self-driving vehicles have become increasingly apprehensive. This year there was a major increase in drivers who are afraid, rising to 68% as compared to 55% in 2022. This is a 13% jump from last year's survey and the biggest increase since 2020*.

Read More

MEMBER NEWS

Getting Screened for Cancer Will Win One Michigander a Free Car Lease

A Michigan hospital is raffling off a free two-year car lease in order to get more patients tested for prostate cancer. Henry Ford

Health has organized a free screening event Saturday, March 4, at Prestige Cadillac in Warren. No-charge blood testing will be available, to those who meet screening qualifications, from 11 a.m. to 4 p.m.



Along with the free screening, participants will be entered into a drawing to win a 2023 Cadillac XT5 Luxury 2-year lease from the dealership.

Dr. Eleanor Walker, a radiation oncologist and Henry Ford's medical director of integrative medicine, came up with the idea as a means to increase education and awareness about prostate cancer and available screening opportunities...[keep reading](#)

EDUCATIONAL OPPORTUNITIES



Fisher Phillips (Mar. 23) [Employment and Benefits Issues Arising From Mergers and Acquisitions](#)

BCBS HR Master Class (Mar. 23) [Supporting Family Building and Women's Health in the Workplace](#)

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Rehmann has provided one-on-one financial services to businesses throughout Michigan since 1941. Offering a specialized team of business consultants, corporate investigators, tax service providers & dealership CFOs who understand the unique needs of auto dealers.



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MADA Fast Facts



Mar. 10, 2023

Vol. 25 | Issue 10

[View as Webpage](#)

AUTO INSURANCE ELIGIBILITY

New DIFS Bulletin Ensures That Eligible Michiganders Can Get Auto Insurance Regardless of Vehicle Make or Model

In response to recent national trends, the Michigan Department of Insurance and Financial Services (DIFS) has [issued a bulletin](#) to remind insurers that they must offer auto insurance to all eligible Michiganders regardless of vehicle make or model, except in certain circumstances as defined under the law.

“Theft trends nationwide show that some types of vehicles, including certain Kia and Hyundai models, may face an increased vulnerability to theft,” said DIFS Director Anita Fox. “In other states, some insurers have attempted to deny or limit auto coverage for these vehicles. Our new bulletin clearly states that such actions are not allowed in Michigan. DIFS will continue to ensure that every eligible Michigan driver can get the auto insurance they need to legally drive on Michigan roads.”

Under the [Michigan Insurance Code](#), insurers in Michigan are only allowed to deny insurance coverage, refuse to continue that coverage, or limit the coverage available for certain types of vehicles [under defined circumstances](#). If an insurer fails to follow the law, DIFS may take regulatory action to ensure Michigan consumers are fully protected.

Consumers who believe they have been denied auto insurance or had their options limited because of their vehicle’s make or model should contact DIFS’ Office of Consumer Services at 877-999-6442 or via email at DIFSComplaints@michigan.gov.

According to the National Highway Traffic Safety Administration (NHTSA), drivers who own certain Kia and Hyundai models may qualify for a free software upgrade to limit their vehicle’s vulnerability to theft. Consumers should visit the [NHTSA website](#) for more information.

DIFS Bulletin



NEWSLETTER SPONSOR

FMD is more than just an accounting firm. We offer a comprehensive approach to traditional accounting, strategic advisory and sophisticated planning services. Our goal is to understand your business and your goals so that we may provide you with expert services to advance your business and create security for the future.

[Learn More](#)

IMPORTANT REMINDERS

Make Copies & Be Timely With Paperwork

In recent communication with CVR and the Michigan Department of State, it was commented that they are seeing two common problems with paperwork. Dealers are asked to keep the following in mind when coordinating vehicle transaction paperwork:

1. **Make copies** of vehicle transaction paperwork. On occasion, information gets lost in the mail. Make copies, place in the deal jacket, and you have a backup if something gets lost in the mail.
2. **Send paperwork in a timely manner.** This benefits you, the state and your customers.

IN-TRANSIT PERMIT TRANSACTIONS

SOS Bulletin Regarding In-transit Permits

Last week the Michigan Department of State emailed a notice and follow up clarification regarding in-transit permits and electronic lienholders. MADA is sharing this bulletin for those who may not have seen it. We also want dealers to know that MDOS is working on a "fix" to this issue. We hope to update you soon with further guidance.

At this time **electronic lienholder number (ELT-LH)** cannot be added to in-transit transactions. As you are aware, legislation recently was updated requiring the Michigan Department of State to enter the lienholder information on in-transit activities.

Branch Office Transactions: if you process your in-transit permit through the branch office, the branch has a work around to complete the transaction.

CVR Transactions: if you are processing an in-transit deal through CVR, you will need to use the previous non-ELT lienholder account number, even if the lienholder participates in the ELT Program. At this time, a CVR dealer cannot use the ELT-LH

account number to complete in-transit sale and permit. The department is working on updating the program to accept the ELT account numbers.

If you are unable to locate the previous non-ELT account number in the CVR lender list, *you may either take the paperwork to the branch OR* complete the following steps:

- Email MDOS-BranchLienholderAdd@michigan.gov
- Note that you are requesting the lender be added as a non-ELT lienholder due to an in-transit activity you are trying to submit.
- Make sure to include the full name and address of the lienholder.
- Once the lienholder has been added, complete the activity using the non-ELT lienholder search.

Note: This non-ELT lienholder number should only be used during an in-transit activity.



The banner features the MADA logo (a green outline of Michigan with the word 'mada' in lowercase) on the left. The text reads: 'Michigan Automobile Dealers Association', 'SPRING DEALER MEETING', and 'WEDNESDAY, MAY 10, 2023'. On the right, there is a quote: 'How do dealers proceed after emerging from the most dynamic period of change in more than half a century?' followed by 'Registration coming soon!' in a red script font. At the bottom, it lists the venue 'Eagle Eye Banquet Center, 15500 Chandler Rd., Bath, MI' and the theme 'The New Look of the U.S. Automotive Industry: Turning Disruption Into Convention'.

DIFS EMAIL REQUEST

Complaint Contact Update

We have heard from many dealers that an email was received from DIFScomplaints@michigan.gov requesting that they complete a complaint contact form and return it to DIFS.



We reached out to our contacts at DIFS and confirmed that it is a legitimate email and it was not sent due to a complaint received. Every dealership should have received this email. Even if the consumer finance division already has your current contact information for license renewals, it will still be necessary to provide the complaints division with your preferred contact information. If an email address is not provided, complaints will be faxed to the dealership.

If there is a consumer complaint filed against the dealership, the information provided will ensure DIFS is able to contact the proper person to expeditiously discuss and resolve the complaint.

DIFS previously emailed this request in 2020. They are reaching out again to confirm contact information. If you have questions please email Michelle Brenke at mbrenke@michiganada.org.

NEWS FROM NADA

Buying EVs for Used Inventory? Understanding the Federal “Previously Owned Clean Vehicle” Tax Credit

Effective Jan. 1, 2023, a federal [previously-owned clean vehicle tax credit](#) (Used EV Credit) potentially applies to used battery electric (BEV), plug-in hybrid electric (PHEV), or fuel cell electric (FCEV) vehicles sold by licensed dealers between 2023 and 2032. The maximum Used EV Credit is the lesser of \$4,000 or 30% of the sales price. But, as detailed below, many used EV sales will be ineligible for a Used EV Credit. To the extent possible, before buying a used EV, determine whether a Used Vehicle Credit may apply when the EV is later sold by the dealership.



I. For starters, to be eligible for a Used EV Credit, used EVs must:

- Have been manufactured by a qualified OEM (virtually all were);
- Be under 14,000 lbs GVWR (if not sure, check the certification label on the driver-side door frame or B-pillar);
- Be propelled by a battery of at least 7 kWh (a concern only for PHEVs) or be a FCEV; and
- Be two model years old or older than the year of sale (i.e., for sales in 2023, MY 2021 or older).

Bottom Line: The above requirements should be easy to determine prior to buying a used EV.

[Click for More Requirements](#)

II.) Also, to be eligible for a Used EV Credit, a used EV may not have been sold after 8/16/22 to a Qualified Buyer who was not the original owner.

III.) When a used EV is sold at retail, four additional requirements must be met for a Used EV Credit to apply.

CAPITOL CORNER

- RTL, Prevailing Wage Reversal Clear House
- Messer: SOAR-Backed Companies Don't Work With Communist China



- Expanded Background Checks On Guns Passes House
- Dems Entire Firearm Safety Package Approved Out Of Senate Committee
- Post Right To Work Repeal Bills Emerge In House

[Keep Reading](#)

NEWS AROUND THE WEB



Lenders are Bracing for Increase in Fraud Risk

Point Predictive | The 2023 Auto Lending Fraud Survey Report contains data from 35 top-level executives and leaders in auto lending and banking industries on the greatest challenges in the marketplace today. In the report, these industry leaders share candid thoughts on the most pressing fraud concerns of 2023, discuss how lenders are preparing to combat fraud, and reveal how fraud is impacting lender-dealer relationships.

[Read More](#)



AutoNation's acquisition of RepairSmith signals mobile service trend

Automotive News | Dealership interest The acquisition by AutoNation is a wakeup call for the retail automotive industry, said Scot Wingo, CEO of mobile repair startup Spiffy. Spiffy offers mobile repair via self-operated vans that are bright blue, and through franchised clients and white-label "digital servicing" - a play on digital retailing, said Wingo.

[Read More](#)

MEMBER NEWS

Novi Educator of the Year Receives 2-Year Lease

On March 2, the Novi Educational Foundation named Hattie Maguire as the Novi Community School District Educator of the Year as her family and colleagues, as well as media representatives, surprised her in her classroom.

Along with the title of Educator of the Year, Maguire was given a two-year lease on a Chevrolet Equinox, with the option to buy, from **Feldman Automotive of Novi**. This is the first year that Feldman has provided the vehicle to the Educator of the Year, but the dealership has provided vehicles in the past for other causes.



Maguire and her family pose for a photo with the new SUV. From left are Maguire's husband, Patrick; daughter Molly; Maguire; son Charlie; and her parents, Lois and Tom Tackebury. Photo by Patricia O'Blenes

"We love to do things for the community, and you know teachers don't get enough credit," said Marla Feldman, vice president of Feldman Automotive. "It just makes you happy to put a smile on someone's face, someone that is deserving. ... We're just happy to be a part of it." ... [read more](#)



"Spring Forward"

Daylight Saving Time
Sunday, March 12,
2023, at 2:00 am.

EDUCATIONAL OPPORTUNITIES

Fisher Phillips (Mar. 23) [Employment and Benefits Issues Arising From Mergers and Acquisitions](#)

Fisher Phillips (Mar. 23) [Advanced HR Webinar Series: No Good Deed Goes Unpunished](#)

BCBS HR Master Class (Mar. 23) [Supporting Family Building and Women's Health in the Workplace](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS

REVIVER

Website

Digital License Plates | Learn more about Reviver's win-win dealer partner program and how digital license plates can help accelerate your profit growth and ignite sales conversations with customers. Reviver offers your dealership new revenue streams, streamlined plate management and brand differentiation.



Website

Resources Management Group is a finance & insurance income development training agency representing Portfolio Reinsurance.



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MADA Fast Facts



Mar. 17, 2023

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MADA SPRING MEETING, MAY 10

Network, Enjoy Lunch and Hear From an Industry Expert All in One Afternoon!

Plans are underway for the first **in-person** MADA educational and networking meeting in more than three years! We are looking forward to seeing many Michigan dealers, key dealership employees and special guests at the May meeting.

Keynote Speaker: Kevin Tynan, Bloomberg Intelligence

The New Look of the Automotive Industry: Turning Disruption into Convention

Bloomberg Intelligence is Bloomberg's investment research department, delivering insight and analysis to finance's global decision makers. Their research delivers an independent perspective providing interactive data and investment research on companies, industries and global markets. They have a team of 350 research professionals to help business owners make informed decisions in the rapidly moving investment landscape.



Kevin Tynan is the Global Director of Automotive Research for Bloomberg Intelligence. He has 25 years of investment research experience. He began his career as an equity analyst, covering the global automotive, auto parts and auto retailers industries. He is a regular industry presenter, most recently sharing his insights with the Colorado, Virginia, Kentucky and Ohio auto dealers. You will often hear or see him reporting on the industry for one of the Bloomberg properties and is a frequent contributor on other television, radio and print mediums.

Kevin will share his extensive knowledge and show dealers what the numbers tell us about the "new normal," plus topics such as EV adoption and other auto industry issues that will impact planning for the future.

Additional event information is now posted on the [MADA website](#). Also look for a Spring Meeting email with registration link, coming soon to your inbox!



Michigan Automobile Dealers Association

SPRING DEALER MEETING

WEDNESDAY, MAY 10, 2023

How do dealers proceed after emerging from the most dynamic period of change in more than half a century?

Registration coming soon!

Eagle Eye Banquet Center
15500 Chandler Rd., Bath, MI

The New Look of the U.S. Automotive Industry: Turning Disruption Into Convention

ODOMETER STATEMENTS



ALERT

Wet Signature Still Required

Legislation that recently modified the Michigan Vehicle Code included language allowing odometer information to be accepted electronically -- once MDOS has proper procedures in place. The Michigan

Department of State is currently working with the federal government to develop these processes.

At this time, wet signatures are still required on the odometer statement.

Dealers will be notified once technology for the new electronic disclosure process is available. Only then will dealers have the option to accept electronically signed odometer statements.

MADA continues to work with MDOS to implement the new process as soon as possible. We will keep dealers updated on this future option.

MICHIGAN DRIVER'S LICENSE

New Backside Layout...Coming Soon

In the next few months, the Michigan Department of State will begin issuing new Michigan driver's licenses and ID cards without the magnetic stripe on the back. This change will help strengthen card security and align with national best practices. All Michigan licenses and IDs will continue to display a barcode on the back of the card, which can be scanned using most card reader technology.

Dealers and staff should be aware of this change, and keep in mind that the current license format will remain in circulation until cards with the stripe are completely phased out in early 2028.



NEWSLETTER SPONSOR

Dawda Mann has deep experience in representing automobile dealerships and their owners, dating back to 1979, including in corporate, employment, franchise,

[Learn More](#)

Call 248-642-3700 and ask for Ed Dawda or Marc Salach.

licensing, real estate and financing legal matters. Our relationships with the factory have proven helpful in guiding owners in the sale and purchase of dealerships and related real estate - let us assist you.

FTC NEWS FROM COMPLYAUTO

FTC Targeting Businesses for Tracking Cookies

ComplyAuto has been tracking the activity of the FTC on multiple points in an effort to put dealers in the best position possible to stave off an ever aggressive, and creative, federal agency.



Unsurprising, the FTC is targeting businesses for the use of tracking cookies and retargeted advertising. The Commission recently found that a company called GoodRx has been collecting, using, and sharing customer information without their knowledge or consent by placing specific cookies to gather the information.

Why is this important to dealers? Almost all dealers are using the same technology through their websites. What is even more concerning is that the folks who are selling these products either don't understand their implications or may not have dealers' best interest in mind.

In a prior article, ComplyAuto noted that the FTC appears to see the automotive industry as the next frontier given the pending Trade Regulation Rule and Safeguards Rule.

The lesson here? Dealerships should implement comprehensive privacy policy disclosures and a well-designed cookie consent banner to avoid the FTC's scrutiny.

[More on Cookie Consent](#)

NEWS FROM NADA

Renewed Warning About Improperly Claiming the Employee Retention Tax Credit

Many dealers continue to be contacted by consultants suggesting that the dealer take advantage of the Employee Retention Tax Credit. NADA has provided this update from the Acting IRS Commissioner.



Last week, the Internal Revenue Service issued a renewed warning urging people

to carefully review the Employee Retention Credit (ERC) guidelines before trying to claim the credit. Apparently, [certain promoters continue pushing ineligible people to file.](#)

The Acting IRS Commissioner recently stated...

*"While this is a legitimate credit that has provided a financial lifeline to millions of businesses, there continue to be promoters who aggressively mislead people and businesses into thinking they can claim these credits. Anyone who is considering claiming this credit needs to carefully review the guidelines. **If the tax professional they're using raises questions about the accuracy of the Employee Retention Credit claim, people should listen to their advice.** The IRS is actively auditing and conducting criminal investigations related to these false claims. People need to think twice before claiming this."*

- Read the recent IRS news release in its entirety [here](#). Note that this news release links to detailed IRS warnings issued in the fall of 2022.
- Read the NADA blog "A Guide to Claiming the Employee Retention Tax Credit" [here](#).

General questions regarding the ERC may be directed to NADA at regulatoryaffairs@nada.org.

On Demand: Sessions from the NADA Show

It's time to check out the top recorded sessions and continue to shop the Expo. There's so much to choose from, it's madness...or rather **NADAness!**

More than 100 education sessions were offered at NADA Show 2023. [Encourage dealership employees to take advantage of this top-notch education!](#) **All NADA members have complimentary access.** (For help logging into your member account contact [NADA Customer Service](#) | 800.557.6232)

Explore the full lineup in the [education catalog](#), which is searchable by keyword, including favorite speakers and hot topics.

Save the date for NADA Show 2024. We'll be back in Vegas, February 1-4!

[NADA Show Recap](#)



CAPITOL CORNER

- Democratic-Led Senate Approves All 11 Core Firearm Reform Bills
- Senate Signs Off On Adding Abortion Protections To ELCRA
- Bellino, Lauwers Returned To Committees

NEWS AROUND THE WEB



Market Thoughts 3.13.2023

CAPTRUST | The last few days have been a whirlwind for bank depositors, lenders, investors, and regulators. On Thursday, March 9, Silicon Valley Bank (SVB) - one of the 20 largest commercial banks in the country - experienced a steady stream of large withdrawals that led to its almost-immediate failure. Three days later, on March 12, state regulators closed a second institution, the New York-based Signature Bank, citing systemic risk.

[Read More](#)



The EV startup boom is over. Companies are now trying to avoid a bust.

Automotive News | By last year, the world was supposed to have three-wheeled electric cars powered by roof-mounted solar panels. Cities were to see electric buses flooded with natural light and padded by soothing grays reminiscent of a luxury Manhattan apartment. Commercial deliveries would zip across the nation in matte electric vans, carrying more stuff for less money.

[Read More](#)

MEMBER NEWS

Troy dealer is among first to install storage battery for EV charging

A local auto dealership is among the first in the country to install a storage battery to reduce costs and improve efficiency as it sells and services electric vehicles.



The 140 kilowatt-hour battery at **Suburban Chrysler in the Troy Motor Mall** allows fast charging with little or no upgrade to the dealership's electric service or connection to the electric grid, said Mark LaNeve, president of Charge Enterprises, which works with hardware suppliers to install charging stations. The battery allows for buffered charging by storing energy so the dealership doesn't have to draw the full amount of power required from the grid.

Called a ChargeBox, the battery is about the size of an air-conditioning compressor,

4 feet on a side, said Bill Bieser, automotive vice president for GenZ EV Solutions, which distributes the battery in North America. Porsche had exclusive rights to the ChargeBox until recently. Suburban Chrysler is the first non-Porsche dealer in the U.S. to get one....[keep reading](#)

EDUCATIONAL OPPORTUNITIES



CAPTRUST (Mar. 22) [Anticipating SECURE 2.0 Changes](#)

Retirement plan sponsors and their recordkeepers are busy digesting the 90+ provisions included in the SECURE 2.0 Act, some questions are arising...

BCBS (Mar. 23) [One Week Physical Activity Minutes CHALLENGE!](#) BCBS will provide a *One Week Physical Activity Minutes Challenge* you can use to track your physical activity minutes as recommended by the Centers for Disease Control and Prevention. Downloadable tracker will be provided.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

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.



Website

MRA is one of the largest and most established credit card processors in Michigan. We understand you want simplicity and you need to save money when it comes to credit card processing. MRA saves members an average of 23 percent on credit card processing fees using an easy-to-understand approach. We service all major credit cards and offer a variety of deposit options.



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MADA Fast Facts



Mar. 24, 2023

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DEALER AWARDS

Do You Know a Dealer Whose Support Goes Above and Beyond?

Each year during the NADA Show, Michigan dealers are awarded for their strong commitment to community and/or education. **MADA is now accepting nominations** for the TIME Dealer of the Year award and the Northwood Dealer Education award, to be presented during the 2024 NADA Show in Las Vegas.

It is always an honor to recognize individuals who improve their local community and provide opportunities for those around them. Dealers provide a significant and positive impact on the communities where they live and work. Dealers also support local schools, provide on-the-job training for students, and sponsor youth programs. MADA requests your help to nominate dealers who go above and beyond for their community.

Please review the nominee qualifications and let us know who you feel is deserving of a prestigious dealer award. [*nomination form*](#)



IN PARTNERSHIP WITH **ally**

The TIME Dealer of the Year award recognizes exceptional performance and outstanding community service that is an inspiration to us all. By presenting this annual award, TIME, Ally and NADA honor new-car dealers across America and their tireless efforts to improve their communities and the world around them.



The Northwood Dealer Education Award was developed by Northwood University to recognize automobile dealers across the United States for their dedication and contributions to the advancement of education at all levels, both inside and out of the automotive industry.

[Learn More](#)

*Call 248-642-3700 and
ask for Ed Dawda or Marc
Salach.*

Dawda Mann has deep experience in representing automobile dealerships and their owners, dating back to 1979, including in corporate, employment, franchise, licensing, real estate and financing legal matters. Our relationships with the factory have proven helpful in guiding owners in the sale and purchase of dealerships and related real estate - let us assist you.

NEWS FROM MDOS

General Compliance Dealer Inspections

MADA is pleased to share the news that the Michigan Department of State (MDOS) will contact dealerships through multiple methods prior to a general inspection.

Now that Public Act 224 of 2022 is effective, all dealers will be notified of a general compliance inspection at least 36 hours in advance. The notice will be sent to the:

- Business contact email address on file with the department
- Email address associated with the e-Services account manager
- Additionally, a notification will be generated on the account manager's e-Services portal

It is important that the dealership's e-Services account manager ensures all contact information in e-Services is accurate and up to date. Account managers can update the business contact information through the e-Services "Update Contact Information" hyperlink under the Information subtab.

Dealers are expected to have all requested records available for inspection within 30 minutes of the regulation agent's arrival. Failure to provide the requested records during a general compliance inspection can lead to the summary suspension of the dealer license for failing to provide records upon request.

*Reminder: 36 hour notifications are for **general** inspections. For the purposes of investigating an official complaint made available to the dealer or a substantive violation or other applicable law directly involving the dealer, MDOS may make unannounced inspections.*



Michigan Automobile Dealers Association

SPRING DEALER MEETING

WEDNESDAY, MAY 10, 2023

How do dealers proceed
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Registration coming soon!

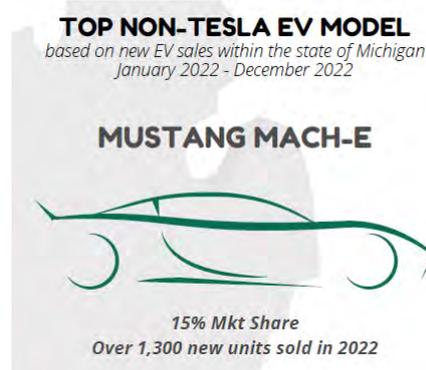
Eagle Eye Banquet Center
15500 Chandler Rd., Bath, MI

The New Look of the U.S. Automotive
Industry: Turning Disruption Into Convention

MICHIGAN'S EV MARKET

New EV Sales in Michigan Have Increased 157% YTD

The EV market in Michigan has grown significantly over the past year. Cross-Sell has the vehicle sales data to show month-over-month growth by dealership, model, and zip code. We dove into this data to take a look at the Michigan EV market.



Impressively, new EV sales in Michigan have increased 157% YTD! New EV sales from January and February this year were over 1,900 units - the highest two-month volume in over a year. The models contributing to these numbers are the Tesla Model Y, Model 3, the Chevy Bolt EUV, and Ford Mustang Mach-E. [Click here for the Michigan 2022 EV Sales Infographic.](#)

Looking at only February, new EV sales for Michigan show the Chevy Bolt EUV outsold the Tesla Model 3 and Ford Mustang Mach-E, which have continuously been top-selling models within Michigan. We're also seeing the Rivian R1S making strides to the top of this list, claiming up to 6% of the EV market in MI currently.

Get more of this data for your local market by going to <https://info.cross-sell.com/mada>.

EXTENDED WARRANTY SCAM

FTC Action Leads to Lifetime Industry Ban for Operators of 'Extended Vehicle Warranty' Scam

As a result of a Federal Trade Commission lawsuit, the operators of a telemarketing scam that called hundreds of thousands of consumers nationwide to pitch them expensive "extended automobile warranties" will face a lifetime ban from the extended automobile warranty industry and from all outbound telemarketing.

Under the terms of proposed court orders, three companies and their owners that

were charged by the FTC with running the operation that scammed consumers out of millions of dollars would be permanently banned from participating in the extended automobile warranty market, as well as from any further involvement in outbound telemarketing.

FTC Press Release

AROUND THE WEB



Coming Income Tax Rate Cut Will Put a Dent in Budget Growth

Citizens Research Council of Michigan | The Governor recently signed legislation implementing major elements of her income tax reform proposals; but lack of "immediate effect" means her \$180 tax rebate proposal won't happen. It also means an income tax rate cut is likely on its way.

[Read More](#)



How Much Caffeine is Too Much Caffeine?

BCBS | Caffeine is a stimulant that speeds up messaging between the brain and body when it reaches the central nervous system. Millions of people all over the world consume caffeine every day to feel more alert during daily activities. Caffeine won't typically pose a health problem, but it's important to be mindful of its side effects and be ready to cut back if necessary.

[Read More](#)

MEMBER NEWS

A New Chapter for Reynolds and Reynolds

At NADA 2023, Reynolds and Reynolds launched a new logo and brand image. The new look represents years of progress and innovation as well as their continued commitment to helping dealers navigate industry change.



Reynolds has taken tangible steps to better serve dealers as consumers demand new ways to retail. In 2021 they introduced Retail Anywhere, a single system approach that allows dealers to meet customers wherever they are – online, in-store, or both. Since then, expanded product offerings through acquisitions and partnerships like Gubagoo and DRIVER enable dealers to work a single deal from chat to funded, expand their service capacity without expanding hours, and take control of their cash flow.

Reynolds has committed to become a more flexible partner as they work toward a future where dealers, customers, manufacturers, vendors, and lenders can connect instantly, no matter where they are. Find out more at <https://www.reyrey.com>.

EDUCATIONAL OPPORTUNITIES

Automotive News

40 Under 40

If you know someone under age 40 who is making a big impact at a new-car dealership in the U.S., [Automotive News wants to know](#). (Self-nominations are welcome.)

Rehmann (on demand) [5 Ways Managers Are the Answer to Employee Engagement](#) We've all heard the terms "quiet quitting," "quiet firing," and the "Great Resignation." Rehmann will guide you through your employee engagement questions.

Dealers Resources Inc. (Apr. 11-14) [Financial Service Management](#) Designed to give F&I Managers core skills, this seminar concentrates on what is happening in today's Dealerships with today's customers

HIGHLIGHTING OUR ASSOCIATE MEMBERS

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.

Website



Website

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 Fast Facts



Mar. 31, 2023

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DEALER ALERT

Stolen Title Stock is Resurfacing

It has been reported to MADA that title stock previously stolen from SOS branch offices has started resurfacing out of state. Dealers were notified last fall of a recent block of stolen title stock. The stolen stock listed below and beginning with "G" was reported more than 10 years ago. Do not accept a title with any of the following serial numbers

Standard Vehicle Titles

- G66998261 -G69998360 (100)
- G70528361 -G70530360 (2000)
- G72444361 -G72446360 (2000)
- H04283554 – H04283573 (20)



Branded Vehicle Titles S02891700 - S02891725

Watercraft Titles A01885340 - A01885357

If you receive a title with one of these serial numbers, please contact your local police department and the Office of Investigative Services at SOS-OIS@michigan.gov. MADA also asks that you contact our office at (800) 292-1923 or email jfackler@michiganada.org.



Infographic

NEWSLETTER SPONSOR

Competitive automotive data for local and statewide Michigan markets. We collect Michigan registration vehicle sales data and break it all down into easy-to-read digital reports within our online platform, Cross-Sell Interactive®. Asking yourself, “Who are the top dealerships near me, and what are they selling?” [Find out and get your custom Michigan data now!](#)

Do You Know When Your Repair Facility License Expires? What About Your Mechanics' Licenses?

These renewals do not follow a standard, end-of-year renewal date like your dealer license or installment seller license. Dealers and their service teams are reminded to be aware of upcoming expiration dates. **It is a good idea to occasionally check the licenses posted in your service department to make sure everyone is current.**

The Michigan Department of State (MDOS) generates and mails a paper renewal form for a repair facility registration and a mechanic certificate 45 days prior to expiration. These forms are only mailed once. **If you have not received the renewal form and your expiration date is approaching, email the Business Licensing Section to generate another renewal form.** *(You can also contact MADA for assistance!)*

Keep in mind that a mechanic's renewal paperwork is typically mailed to his or her HOME address. They may have moved or it got lost in the mail - and they don't realize it's close to expiring.

A paper renewal form is not required to renew your repair facility registration or mechanic certificate through e-Services. Repair facilities and mechanics are eligible to renew online 60 days prior to expiration.

Top 3 mechanic violations MDOS finds during inspections

- Performed, or inspected and approved, repair services without being properly certified
- Failure to display mechanic certificate in a conspicuous location
- **Continued to function as a certified mechanic after certification expiration date**

SOS Branch on Livernois in Detroit to Close for Remodeling

The Secretary of State office at 17500 Livernois Ave. in Detroit will be closed for two weeks for a remodeling project. The office will not open Monday, April 3, and will resume normal service at 9 a.m. on Monday, April 17.

Renovations include changes to the counter, new carpet and a fresh coat of paint. Electrical updates also will be done as part of the project.

SOS Notice



Michigan Automobile Dealers Association

SPRING DEALER MEETING

WEDNESDAY, MAY 10, 2023

*How do dealers proceed
after emerging from the most
dynamic period of change in
more than half a century?*

REGISTER

Eagle Eye Banquet Center
15500 Chandler Rd., Bath, MI

The New Look of the U.S. Automotive
Industry: Turning Disruption Into Convention



Armatus Joins as Sponsor!

MADA would like to thank Armatus Dealer Uplift for signing on as a new Signature Sponsor of the MADA Spring Dealer Meeting! We are excited to see our dealers and dealership staff on May 10!

[REGISTER TODAY](https://dealeruplift.com)

<https://dealeruplift.com>

Event Handout

NEWS FROM NADA

IRS Announces Important Changes to New Vehicle EV Tax Credits Under IRC Section 30D



The Internal Revenue Service today released [proposed guidance](#) which, [effective April 18, 2023](#), will significantly change the new electric vehicle (EV) tax credits that are available under Section 30D of the Internal Revenue Code. In particular, the IRS guidance will put in place new critical mineral and battery component content requirements that EVs must meet to qualify for Section 30D tax credits.

For dealers, these new requirements will mean two key things:

1. First, effective April 18, 2023, the number of EV make/models that are potentially eligible for a Section 30D credit will likely be dramatically ***reduced***.
2. Second, for those vehicles that may qualify for a Section 30D credit under the proposed guidance, there will be only two possible credit amounts: \$3,750 or \$7,500. Until April 18, potential Section 30D credits will continue to vary but will typically be for \$7,500.

OEMs are now working to determine how the new proposed guidance applies to the EVs they manufacture. Given the guidance's complexity, this process could take some time. Accordingly, after April 17, dealerships offering new EVs for sale are cautioned against providing customers with seller report forms, or otherwise representing the potential value of a Section 30D tax credit for a given make/model, without first consulting with their OEMs on the impact of the proposed guidance. In

addition, since the IRS has indicated that it will continuously update the make/model credit eligibility information found on [fueleconomy.gov](https://www.fueleconomy.gov), dealers are encouraged to avail themselves of that resource as well.

For general information on the Section 30D and other federal EV tax credits, see www.nada.org/ev-incentives. Questions may be directed to regulatoryaffairs@nada.org.

FAQ Fact Sheet 2023-08



Keep Reading

CAPITOL CORNER

- Firearm Safety Caucus Calls For Immediate Action On 'Red Flag' Bills
- It's Official: Michigan To See Lowest Income Tax Since '07
- Bill Would Require Payday Lending Practices Reporting
- No Run On The Banks
- Marshall Battery Park Faces Local Opposition

AROUND THE WEB



EV tax credit sourcing rules to take effect in April, officials say

Automotive News | Battery component and critical mineral sourcing requirements in the Inflation Reduction Act's consumer tax credit for new electric vehicles will take effect in April, the U.S. Treasury Department said Friday. Treasury released its much-anticipated proposed guidance on the EV battery sourcing rules, which are designed to incentivize domestic production and reduce reliance on foreign supply chains.

Read More



Where Do EV Batteries Go When They Die?

CNBC with Cox Automotive | Over 300 million electric vehicles are expected to be on the world's roads by 2030, according to the International Energy Agency. By 2050, the National Renewable Energy Laboratory expects the demand for graphite, lithium and cobalt, all critical minerals in EV batteries, to increase by 500%. It estimates that the lifetime of an EV battery is around 12 to 15 years in moderate climates. "The degradation of an EV battery pack is one of the biggest questions of the industry..."

Read More

EDUCATIONAL OPPORTUNITIES

MADA Calendar

May 10 | Spring Meeting & board meeting ([details](#))

Sept. 12 | MADPAC golf outing ([more info coming soon](#))

Nominate a dealer ([form](#))



Resources for your HR department...

Dealers who offer BCBS insurance as an employee benefit are reminded to bookmark the [BCBS Engagement](#) web page. This site provides numerous resources to support your employees, including a behavioral health toolkit, guidance on using the online patient account, maternity, preventative care and more. Each toolkit contains up-to-date educational materials to help employees stay informed.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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[Website](#)

Reynolds and Reynolds is one of the automotive industry's leading providers of software, services, and document solutions. We feature the industry's only Retail Management System that provides dealerships with a single system, built to work together. This single system allows dealerships to meet customers no matter where they are without sacrificing profitability, efficiency, and accuracy.



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MADA Fast Facts



Apr. 7, 2023
Vol. 25 | Issue 14

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ISL RENEWALS

Renewal Paperwork Coming to Your Inbox

The Michigan Department of Insurance & Financial Services (DIFS) will be emailing installment seller (finance) license renewals **next week**. The email will go to the email address on record with DIFS.

Last year's renewal was the first time DIFS required all licensees to submit materials electronically. Thanks to your attention to the detail, it went very smoothly. Again this year, license holders must submit the volume of activity report, renewal paperwork and fees **online**. (*Renewal by mail is no longer allowed.*) Instructions on how to file and what is required to be submitted will be included in the DIFS email. MADA is happy to assist if you have questions.

Note about email on record: many dealers have had staff changes or email address changes since the last ISL renewal. Please know what email address is on file with DIFS to ensure you receive the renewal documents. The DIFS licensing email is separate from the *MDOS dealer license* contact, and may be different from the *DIFS complaint* contact dealers were recently asked about. If you are unsure of the contact you have on file for DIFS licensing issues please email mbrenke@michiganada.org (include dealership name and IS license #).



[Learn More](#)

For more info visit
www.700Credit.com

NEWSLETTER SPONSOR

700Credit is the largest provider of credit reports and compliance solutions to automotive dealers. Our solutions include credit reports from the 3 bureaus, fully automated compliance platform including adverse action & risk-based pricing notices, OFAC and Red Flag, prescreen and prequalification soft pull platforms, and identity verification, fraud detection and driver's license authentication solutions.

ELT Operational Overview

Friday, April 21 | 9:30 - 10:30 am, followed by Q&A



Many dealers are now receiving trade-ins with an electronic title. To help dealers and staff who handle ELT transactions, the Michigan Department of State will present a new training webinar for MADA members.

This webinar will cover the basics of the ELT program, highlighting the benefits of the ELT functionality. Dealers will be provided with a practical step-by-step walk-through of the functionality available and how to perform each transaction.

Attendees will be on listen-only mode and may submit questions through the chat feature. The webinar will be recorded and available to view on-demand the week following the live webinar.

[REGISTER](#)

After registering you will immediately receive a confirmation email. Please check spam if you do not see it.

MINIMIZING FRAUD

Are You Using Out of Wallet Questions to Help Confirm Identity?

Another dealership employee avoided a fraudulent sale by asking out of wallet questions before signing the contract on a \$90,000 vehicle purchase. The customer provided a New York driver's license and claimed to be the owner of an auction company with a very high monthly income. However, he couldn't answer simple background questions to validate his identity.

It was later confirmed that the customer was using fraudulent documentation. Certain contact information provided had been used multiple times throughout the country tied to stolen consumer names and accounts.

Dealers can work with credit reporting agencies to develop out of wallet questions specifically formulated for each transaction. This would be information that may be found on a customer's credit report. Example: where did you live prior to your current address?

We thank the dealer for reaching out to MADA and congratulate another dealership employee for noticing red flags and taking appropriate action!

APRIL 11 IS Q2 CVR COUNT DAY

Submit Count Before Processing New Transactions

Dealers are reminded that they will not be able to process any new CVR transactions until the CVR count is submitted.



Dealers who do not submit the required information in a timely manner 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 please contact your CVR account representative or call CVR Support at (800) 333-6995.

Future CVR Count Days: Q3 Jul. 11 | Q4 Oct. 10

The banner features the MADA logo (a green outline of Michigan) and the text "mada Michigan Automobile Dealers Association". The main title is "SPRING DEALER MEETING" in large, bold, black letters, with "WEDNESDAY, MAY 10, 2023" below it in green. To the right, a quote reads: "How do dealers proceed after emerging from the most dynamic period of change in more than half a century?". At the bottom left, it says "Eagle Eye Banquet Center | 15500 Chandler Rd., Bath, MI". At the bottom right, it says "The New Look of the U.S. Automotive Industry: Turning Disruption Into Convention". A green "REGISTER" button is on the right side.

AT-HOME EV CHARGING

How Can Energy Companies Help Dealers Bridge the Information Gap?

If EVs are destined to be the future of automotive travel, many dealers will need additional resources to help get consumers educated about one of the initial roadblocks...charging their EV at home.

Consumers Energy and DTE Energy have both reached out to MADA to discuss ways the companies can use the dealer network to support Michigan residents who are considering an electric vehicle. Dealers are a primary contact for EVs so the companies would like to have information available for dealers, which can be shared with your customers. These resources would provide general information about at-home charging, and direct customers to the electric company website or a contact number to get information specific to the customer's situation.

Your feedback would be appreciated.

- What questions do your customers have about getting set up with at-home charging?
- What materials or information would be helpful for a dealer to have so you can guide customers who have questions about at-home charging?

Please contact MADA's James Fackler (phone 800-292-1923 or email jfackler@michiganada.org) with your comments, questions or suggestions. We will share information with Consumers Energy and DTE Energy.

We hope this communication with electric companies will benefit your EV buyers, including those who are interested, but hesitant due to concerns about the home charging aspect.



Keep Reading

CAPITOL CORNER

- Rick Johnson, Biz Owner, Lobbyists To Enter Plea In Bribery Scandal In Marijuana Board Probe
- DeSantis Condemns 'Woke Ideology' At Midland Event With 'Off The Charts' Attendance
- Gotion Non-Disclosure Agreement Questioned
- Snyder Hesitant On Challenging AG's Tax Cut Opinion

AROUND THE WEB

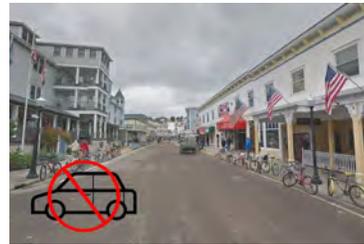


2023 Automotive News list of the top U.S. dealership groups shows many shifts

As accelerated dealership consolidation reshapes the auto retail landscape, Automotive News' annual ranking of the top 150 dealership groups based in the U.S. is changing, too. The groups on the list commanded a bigger percentage of the U.S. industry's new light-vehicle sales in 2022 and held a growing share of the U.S.

Read More

[Top 150 Dealership Groups \(2023\)](#)



Wait, How did Google Map Out the Car-Free Mackinac Island?

WKFR News I Have you ever wondered how Google Maps, famous for driving around a little car with a camera to create street views of towns and cities, was able to map out Mackinac Island? Mackinac Island is famously car-free and I doubt they would suddenly make an exception for Google. And, they didn't.

Read More

EDUCATIONAL OPPORTUNITIES

DADA (Apr. 20 @ 9am) [Legislative Update with Gov. Whitmer's Deputy Chief of Staff, Jen Flood](#) Join Kurt Berryman and Deputy Chief of Staff Jen Flood for the Spring Legislative Update! A look at the first 60 days of



the legislative session.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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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.



Serra Benefits Group
Employee Benefits Specialists

Website

Serra Benefits SPECIALIZES in the design, implementation and management of employee benefits for Michigan Auto Dealers. From health, life, dental, and vision to disability, 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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The MADA Spring Meeting will offer valuable insight for dealers, employees and invited guests.

[Click Here](#) to see an updated look at what we have planned.

Thanks to many generous sponsors, there is no cost to attend.
If you have not done so already, [register today!](#)

NEWS FROM NADA

Effective April 18 - Changes to New Vehicle EV Tax Credits

It is important that dealers are familiar with the new IRS rules for EV tax credits. Please make sure you and the appropriate staff have read the following information from NADA -- and referenced NADA's resource page on EV incentives. We anticipate NADA and your manufacturers will have more information next week.

The Internal Revenue Service released proposed guidance which, **effective April 18, 2023**, will significantly change the new electric vehicle (EV) tax credits that are available under Section 30D of the Internal Revenue Code. In particular, the IRS guidance will put in place new critical mineral and battery component content requirements that EVs must meet to qualify for Section 30D tax credits.

For dealers, these new requirements will mean two key things:

- First, effective April 18, 2023, the number of EV make/models that are

potentially eligible for a Section 30D credit will likely be dramatically reduced.

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For general information on the Section 30D and other federal EV tax credits, see www.nada.org/ev-incentives (NADA member login required). Questions may be directed to regulatoryaffairs@nada.org.



[Learn More](#)

*For more info visit
www.700Credit.com*

NEWSLETTER SPONSOR

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MADA DEALER WEBINAR

ELT Operational Overview

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This webinar will cover the basics of the ELT program, highlighting the benefits of the ELT functionality. Dealers will be provided with a practical step-by-step walk-through of the functionality available and how to perform each transaction.

Attendees will be on listen-only mode and may submit questions through the chat feature. The webinar will be recorded and available to view on-demand the week following the live webinar.

After registering you will immediately receive a confirmation email. Please check spam if you do not see it.

APPOINTMENT OF AGENT

Handling Transactions When Owner is Not Present

MADA has recently received dealer questions regarding the use of a Power of Attorney (POA), relating to odometer statements and titles. Chapter 3 of the Dealer Manual covers various situations where a Power of Attorney may be needed. Please review these links, and keep reading for more information:

- [Dealer Manual Chapter 3](#)
- [Appointment of Agent / POA \(TR-128\)](#)

Dealer Manual Chapter 3, Section 3-8.1

Appointment of Agent Forms (Power of Attorney)

The Michigan Vehicle Code requires that all purchasers sign certificates of title, RD-108s, and related documents pertaining to the ownership of a vehicle. When a purchaser cannot sign, an agent may be appointed to sign on behalf of the purchaser. Form TR-128, Appointment of Agent, is provided for this purpose.

The Appointment of Agent form prohibits a dealer (or representative) from signing a title or application for title on behalf of the owner. (The agent cannot act as both buyer and seller.)

Wet Signed Odometer Statements

Odometer statements still require a wet signature. Chapter 3, Section 3-8.3 allows the purchaser/seller to appoint a third party (not affiliated with the dealer) to sign the odometer mileage disclosure statement on behalf of the purchaser/seller. The Appointment of Agent form can be used to designate a third party.

Trade-in Without Title

Section 3-13 provides an option for the dealer to assist a customer in applying for a duplicate instant title (assuming the vehicle is eligible for an instant title). If the owner is not available, an Appointment of Agent form should be completed by the owner showing the individual who will be picking the title up at a Secretary of State office. The Appointment of Agent form allows a licensed vehicle dealer (or representative) to apply for an instant title on behalf of the owner.

Dealers are reminded to also have the appropriate instant title paperwork signed for this branch office visit. Section 3-16 provides more information on instant titles.

Once the duplicate title is at the dealership, the owner's agent (not a dealer employee) returns to sign the title transfer paperwork and odometer statement.

ISL RENEWALS

Confirm Your Renewal Was Received

The Michigan Department of Insurance & Financial Services (DIFS) emailed installment seller license renewals to all licensees this week. The renewal was sent to the email address on record with DIFS. **Please confirm that each of your dealerships received the renewal email.** The email was sent from *DIFS-CFRenewals@michigan.gov* (you may want to check spam).



The attachment included with the DIFS email has access and payment codes specific to each licensee. As dealers were reminded last week, DIFS now requires that the volume of activity, fees and the renewal form be submitted electronically. It is necessary to receive the email in order to get the unique codes and submit the required information.

Reminder about email on record: the DIFS licensing email is separate from the *MDOS dealer license contact*, and may be different from the *DIFS complaint contact* dealers were recently asked about.

If you have question about the renewal process, or are are unsure of the contact you have on file for DIFS licensing issues, please email mbrenke@michiganada.org (include dealership name and IS license #).



Keep Reading

CAPITOL CORNER

- House-Senate In Standoff Over Republicans' Piece Of Marshall Plant Deal
- Proposed Change To Deer Hunting Season Opening Day Shot Down
- Debate Over Independent Contractors Gets Testy
- China-Affiliated Projects Couldn't Buy Michigan Farmland Under Bill
- Tax Revenue Down 21.5% In March, SFA Has General Fund Down \$200.7M

AROUND THE WEB



Crazy Facts Most People



FTC Testifies Before California State Senate on Right to Repair

Forget About American Automakers

The American auto industry has come a long way since its early days in the 1900s. From humble beginnings, it grew to become one of the largest in the world and a leading force in the U.S. economy. Over the past century, automakers have faced both triumphs and setbacks, and some marques have unfortunately disappeared.

[Read More](#)

The Federal Trade Commission testified today before a California State Senate committee considering a bill that would create a "right to repair" for several types of consumer products including requiring manufacturers of certain products to make spare parts, diagnostic tools, and repair instructions available to owners of products and to independent repair shops.

[Read More](#)



EDUCATIONAL OPPORTUNITIES

DADA (Apr. 20 @ 9am) [Legislative Update with Gov. Whitmer's Deputy Chief of Staff, Jen Flood](#) Join Kurt Berryman and Deputy Chief of Staff Jen Flood for the Spring Legislative Update! A look at the first 60 days of the legislative session.

ATD (Apr. 18) [Engage Group](#) The industry is changing faster than ever, so ATD is offering your next opportunity for professional development.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

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. DRI provides a wide range of superior F&I products, training classes, and various reinsurance structures focused around the needs of the individual dealer or dealer group.



[Website](#)

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.



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MADA Fast Facts



Apr. 21, 2023

Vol. 25 | Issue 16

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15500 Chandler Rd., Bath, MI

The MADA Spring Meeting will offer valuable insight for dealers, employees and invited guests.

KEYNOTE SPEAKER: Kevin Tynan

Global Director of Automotive Research for Bloomberg Intelligence

The New Look of the Automotive Industry: Turning Disruption into Convention

Auto industry leaders have said Kevin provides an incredibly accurate and thorough analysis on what the data shows for EVs and the future of automotive. Please join us on May 10 at Eagle Eye Banquet Center (just outside East Lansing) for Kevin's updated industry analysis - and much more!

Dealers will also find his thoughts on the [Race to EV Dominance](#) highly interesting.

Thanks to many generous sponsors, there is no cost to attend. If you have not done so already, [register today!](#) The deadline to register is April 25!

IRS EV TAX CREDITS



Additional Vehicles Added to List

The fueleconomy.gov website was updated on Thursday to include additional vehicles eligible for the IRS clean fuel tax credit. Dealers are encouraged to bookmark the website for the most current list of vehicles: <https://fueleconomy.gov/feg/tax2023.shtml>

Additions to the list:

- VW 2023 ID.4 (all variants) | \$7,500 tax credit
- Rivian R1S and R1T (certain configurations) | \$3,750 credit

Read more at [Automotive News](#).

NADA also provides further guidance on the Section 30D tax credits, the Section 45W tax credits and on other EV incentives at www.nada.org/ev-incentives.

ELECTRONIC LIEN & TITLE

MDOS Letter for Customers with Electronic Title

We thank the many dealers and staff who logged in for this morning's Electronic Lien and Title (ELT) webinar. MADA is getting the webinar converted to an on-demand version and will post it to our website next week for those who would like to review the material. Please bookmark our [state licensing resource page](#), where we will post the webinar and other ELT information.

As dealers know, due to the implementation of the ELT system, customer titles may be electronically held with the Michigan Department of State (MDOS). The state created a letter to be given to customers who will have an electronic title. This letter is also posted to the MADA website, or click the link below.

[Customer Letter](#)



[Learn More](#)

NEWSLETTER SPONSOR

For more than 75 years, Colombo & Colombo has kept pace with the automotive industry and been extensively involved in representing automobile dealerships and their trade associations. Our lawyers have stayed abreast of changes in new performance standards and shifts in distribution strategies.

GUIDANCE FROM COMPLYAUTO

Deleting Customer Data Stored in Vehicles: Best Practice or a Legal Requirement?

Since ComplyAuto began offering its Safeguards Rule solutions to dealerships, they have received a few questions from dealers regarding customer information "left behind" in vehicle infotainment systems. These vehicles are either the dealers' rentals, loaners or even those acquired by trade-in. The customer plugs in or pairs their phone to the on-board infotainment system and forgets to delete the "user" when they either return the vehicle. Recently, that trickle of questions became a stream so the company asked MADA to share some



guidance with dealers.

In short, the federal Safeguards Rule does not state that dealers need to remove customer information found in these vehicles. Furthermore, given a recent case in US District Court, the Court found that a dealership's liability for leaving the information in the vehicle is low at best (as there was no standing for the Plaintiff to bring an action for privacy concerns).

However, it is still be best practice for dealers to remove this information.

The ComplyAuto Regulatory Compliance team has written an article that speaks to these issues in more detail.

[Previous Customer Info.](#)

SALES TO A MINOR

Contract Considerations for Under-18 Drivers

School is almost out for the summer and high schoolers with a driver's license are ready to be on the open road!

If a young driver comes to your dealership interested in a vehicle, it is important to remember that a **contract with a minor is not enforceable**. A vehicle contract with an individual under the age of 18 can be rendered null and void. This could lead to a vehicle return for any reason and a requirement for reimbursement. (While legally emancipated minors may be able to enter into an enforceable contract, it can be a tricky situation.)

Purchase. Dealers are advised to require a responsible adult to become the purchaser or co-purchaser of a vehicle. An adult, usually a parent/guardian, should sign the buyer's order, lease or rental agreement, as well as financing documents. This policy should apply if the vehicle is paid fully in cash, or financed.

There is no age restriction to being registered as the owner or lessee of a vehicle.

Warranty. Minors are often interested in your "budget" lot and purchase lower-cost, used vehicles. It is highly encouraged that the dealer explain the warranty, if any, and request an adult co-purchaser acknowledge all aspects of the sale in writing.

Maintenance/Repair. This same reminder extends to the service department. A minor authorizing expensive repairs could attempt to void a service bill based on the fact that he or she is under the age of 18. Make certain that an adult is jointly or individually responsible for vehicle repairs.

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

CAPITOL CORNER



Keep Reading

- Gotion Clears Final State Hurdle For Planned Big Rapids Plant
- 'Red Flag' Going To Governor
- Committee Answers Call For Anti-Phone-While-Driving Bills
- Whitmer: We Got To Get Better At Bragging

AROUND THE WEB



EV Tax Credits Explained

NADA | Andy Koblenz, NADA executive vice president of legal and regulatory affairs, is an industry expert on the clean vehicle tax credits included in the Inflation Reduction Act (IRA), an opaque and complex group of provisions intended to incentivize electric vehicle (EV) adoption.

Koblenz joined Dave Schwietert, chief policy officer at the Alliance of Automotive Innovation, on a [webinar hosted by the Federal Reserve Bank of Chicago](#) to discuss the nuances of the clean vehicle tax credits included in the IRA.

Read More



Disruptive EV technologies drive new supplier realities

Plante Moran | Electric vehicles are completely changing the automotive landscape, demanding that suppliers make critical strategic and operational decisions. Our EV propulsion and energy technology analysis offers insights into EV adoption, supplier transition, and the battery value chain. Electric vehicles (EVs) are transforming the automotive landscape, and suppliers are coming face to face with the enormity of the changes.

Read More

EDUCATIONAL OPPORTUNITIES

ATD (Apr. 26) [ATD Digital Analytics](#) - removes the noise and confusion around digital metrics so you can analyze your digital marketing campaigns and spending

CAPTRUST (on demand) [April 2023 Market Update](#)
Despite dramatic headlines this quarter, markets have delivered modest results. These returns could suggest normal and steady conditions. But, like a game of tug-of-war, there are massive, countervailing forces at work



on both sides of the rope...

Zurich (May 15-17) [Service Advisor Training 2023](#)
Zurich's training is designed to improve KPIs for all levels of advisor – from entry to advanced, veteran and manager, with proven results

Registration opens this summer for the annual MADPAC golf outing.

We will see you there!

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Dealer indirect financing and financial products.

[Website](#)



Schultz Inc./1800PITCLEAN was founded in 1978 as Schultz Oil, with a small tanker truck to collect used oil which was treated and delivered as industrial fuel for local asphalt companies. Schultz Inc. quickly became a well known business in Michigan offering quick response to people's needs and dynamic disposal solutions.

[Website](#)



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MADA Fast Facts



Apr. 28, 2023

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INSTALLMENT SELLER RENEWALS

Tips and Tricks from DIFS

The Michigan Department of Insurance and Financial Services (DIFS) would like to thank the many dealers who have already submitted their installment seller renewal paperwork and payment. DIFS has shared a few reminders for dealers still working on the renewal information. This will make the process easier for the state and for you!

- Follow the instruction steps **in order**, as it states on the renewal attachment from DIFS. 1) annual activity; 2) pay invoice; 3) email renewal application.
- Even if the dealership did not do any business last year, there is still a requirement to file -- enter "0" (zero) in the annual report.
- The *org id* and *access code* are **case sensitive**. An error message such as "no report found" typically means the codes were entered incorrectly.
- If the dealership has a new staff contact for licensing, update DIFS so the proper person will get notifications/renewal packets. (Please contact MADA if you need to know what email address is on file with DIFS, or if you need to change your contact person.)
- MADA also reminds dealers that **leases are not included** in the annual activity report.

If your dealership did not receive the renewal email from DIFS at the beginning of April, please contact MADA at your earliest convenience. Email Michelle Brenke at mbrenke@michiganada.org and include dealership name and IS license number.



NEWSLETTER SPONSOR

For more than 75 years, Colombo & Colombo has kept

[Learn More](#)

pace with the automotive industry and been extensively involved in representing automobile dealerships and their trade associations. Our lawyers have stayed abreast of changes in new performance standards and shifts in distribution strategies.

NEWS FROM NADA

New TCPA Requirements for Non-Marketing Calls Take Effect July 20



The Federal Communications Commission (FCC) recently announced the implementation of new rules governing non-marketing calls. The new rules were implemented pursuant to an FCC order amending the federal Telephone Consumer Protection Act (TCPA). The Order was issued pursuant to the requirements outlined in the federal TRACED Act.

What do these changes mean for dealers?

First, dealers who make any calls to landlines using an artificial voice and prerecorded message, such as service or appointment reminders, or service status update calls, should consult with their attorney to ensure that they meet the requirements of the new rules by the July deadline. This will include potentially new technological steps (such as the automated opt-out), as well as policy changes, and procedural and other steps that must be taken.

In addition, all dealers should take this opportunity to review their do-not-call compliance procedures, including training and document retention requirements, to ensure that they meet all of these requirements so that the TCPA exemptions for non-marketing calls will continue to apply. These rules are important but are also quite complicated. Dealers need to review their practices with respect to **calling or texting consumers (along with those of their service providers or others acting on their behalf)** and work with their lawyer to ensure they are meeting the requirements of the TCPA and other related telemarketing rules and regulations.

***NOTE:** This is not legal advice. Nor does NADA's memorandum address state or local requirements. Dealers must consult with their legal counsel regarding these and other federal, state and local telephone and telemarketing restrictions.*

Please review Monday's email from NADA for more complete information (also linked below), including how TCPA rules regulate non-marketing calls to landlines. This covers topics such as limits on the number of calls, opt-out mechanisms, maintenance of do not call lists, etc.

[NADA Email Notice](#)

ELT OPERATIONAL OVERVIEW

The MADA Webinar Recording is Now Available

We thank the 150+ dealers and staff who logged in for last week's Electronic Lien Titling (ELT) webinar with the Michigan Department of State (MDOS). The recording is now available to view on-demand within the MADA website >> [FAQ tab](#) >> [licensing topics](#). (MADA is working with the state to finalize the answers to some common dealer questions. Once complete, a follow up FAQ document will be available.)

Webinar highlight: paying off a lien

One important topic discussed during the webinar was processing a trade-in or purchase that has a lien and an electronic title. There is a proper way to handle this so the title is in the dealer's name before the new title is prepared.

1. Look up the VIN on e-Services to determine if there is an electronic title.
2. If the title is electronic, **first** assume the lien in e-Services...**then** request either paper or electronic title.
3. Pay off the lienholder

This ensures the title will be in the dealership's name prior to the loan being paid off, which signals that the title should be provided to the dealership. We don't want a free and clear title being mailed to the former owner!

Please review the webinar recording for more information on processing electronic titles. Further questions on ELT topics can be directed to James Fackler at (800) 292-1923 or email jfackler@michiganada.org.

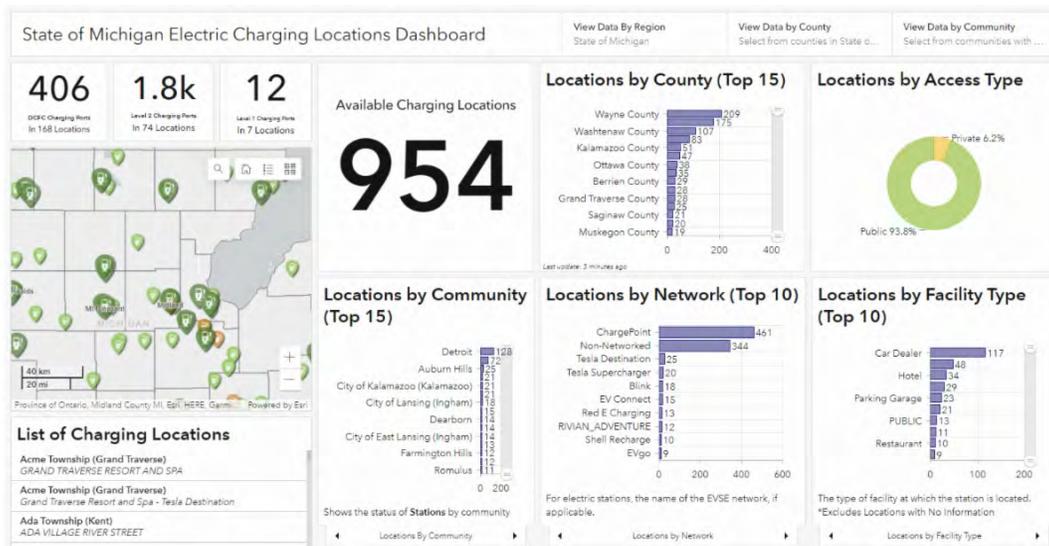
MICHIGAN'S MOBILITY FUTURE

Gov. Whitmer Announces Launch of "State of Michigan Community EV Toolkit"

On Tuesday, Governor Whitmer announced a partnership to create the State of Michigan Community EV Toolkit, an online resource hub to prepare for the future of electric vehicle (EV) deployment and adoption.

The governor said the "toolkit will offer local governments resources to prepare for the increasing number of electric vehicles by helping them build more chargers in their communities and ensure families can access safe, reliable power when and where they need it."

The toolkit offers information to learn about EV infrastructure and electrification benefits, an interactive map and dashboard (example pictured below), plus topics such as community readiness and fleet electrification.



EV Toolkit



Keep Reading

CAPITOL CORNER

- Senate OKs Sending Out \$441M In EITC Checks To '22 Tax Year Claimants
- Marshall Planning Commission Votes Against Ford Project Rezoning
- SOAR Fund Recipients Must Ensure Longevity For Job Creations In Senate Budget Rec.
- Final Piece Of Republican Deal Passes House

MEMBER NEWS

11th Annual LaLonde Charity Open to Support Local Michigan Veterans

LaLonde Charities, founded by U.S. Air Force veteran and CEO of the **Summit Automotive Management Group** Tania LaLonde, is proud to



announce the 11th Annual LaLonde Charity Open, a golf tournament benefiting local veterans, to be held on Sunday, July 30, 2023, at Pine Knob Golf Course in Clarkston, Michigan. The event aims to raise funds and awareness for the vital services and programs that support veterans in the community. To date, the LaLonde Charity Open has raised an impressive \$932,190.58 for local veterans.

The LaLonde Charity Open, with the leadership of Tania LaLonde and U.S. Army veteran David LaLonde, General Manager of the event, has grown significantly over the years, and this year's event promises to be the best yet...[keep reading](#)

AROUND THE WEB



Keep an eye out for executive fraud

Fenner Melstrom & Dooling, PLC | Occupational fraud can be defined as crimes committed by employees against the organizations that they work for. Perhaps its most dangerous variation is executive fraud - that is, wrongdoings by those in the C-Suite. Senior-level execs are in a prime position to not only inflict substantial amounts of financial damage, but also severely impair the reputation...

[Read More](#)

Bloomberg

A Tax Loophole Makes EV Leasing a No-Brainer in the US

Bloomberg News | The vehicle Alistair Weaver wants does not qualify for a \$7,500 tax credit under the new Inflation Reduction Act (IRA). To save money, Weaver is contemplating returning to a gas guzzler. Or, depending on the monthly payment, he's considering leasing a Hyundai Ioniq 5 instead of buying. The latter option would allow him to benefit from the tax credit, because the new federal rules exempt leased vehicles from restrictions on where the car is made, where its battery materials come from and how much money the consumer makes.

[Read More](#)



Registration opens this summer for the annual MADPAC golf outing.

We will see you there!

EDUCATIONAL OPPORTUNITIES

BCBS Healthy Living (May 4) [Birding and the Brain](#) - why listening to and watching birds may improve your brain health and well-being

Zurich (May 15-17) [Service Advisor Training 2023](#) Zurich's training is designed to improve KPIs for all levels of advisor – from entry to advanced, veteran and manager, with proven results

CDK & Automotive News (May 17) [New Opportunities to Win Over Service Shoppers](#)

Cox Automotive & Automotive News (May 18) [Activating Your First-Party Data: How To Do It and Why It Matters](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Diversified Members Credit Union is located in Detroit, MI. We are a full service financial institution that has continuously operated for 92 years.

Website



JM&A Group serves more than 3,700 automotive dealerships nationwide. We provide products and services such as F&I training and consulting, vehicle protection plans, used vehicle certification programs, pre-paid maintenance plans and GAP programs. We have a local Michigan presence supporting process implementation for both dealer operations and digital sales strategies.

Website



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



May 5, 2023

Vol. 25 | Issue 18

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FTC SAFEGUARDS RULE

Five Weeks Out From Full Compliance Deadline

The FTC issued a complex set of amendments to its Safeguards Rule, which require dealers to undertake a series of procedural, technical, and contractual steps to protect consumer and other personal data.

The FTC previously extended the full compliance deadline until **June 9, 2023** -- and that date is very quickly approaching. We hope all dealers are currently in full compliance with the new rules. Further extension of the deadline is not anticipated.

If your dealership still has work to do...

NADA has a number of member resources to get you started, including a [website resource page](#) and a comprehensive [Driven Guide](#) for dealers that contains step-by-step instructions for compliance, as well as a series of links, template policies, exhibits, IT guidance and more.

NADA and ComplyAuto are also presenting a NEW webinar on May 18. (See the article below for details.)

Other available resources include previously recorded webinars and articles:

- NADA Webinar: [An overview and update on the amended FTC Safeguards Rule](#)
- NADA Webinar: [An FTC attorney answers dealers' questions about the rule](#)
- ComplyAuto Article: [A Delay in the Safeguards Rule, But Dealers Should Not Wait](#)
- ComplyAuto & MADA Webinar: [Countdown to Safeguards Rule Compliance and Presentation Slides](#)

If you have further questions please contact MADA at (800) 292-1923. You may also direct questions to ComplyAuto, MADA's preferred partner for Safeguards Rule compliance. Please reach out to Sherryl Brightwell Nens at sherryl@complyauto.com.

NADA & COMPLYAUTO WEBINAR

Procrastinator's Guide: Complying with the June 9th Revised FTC Safeguards Rule Deadline

>> **May 18 at 1:00 pm EST** ** [REGISTER](#) **

Need help with the new FTC Safeguards Rule? Whether you're just starting or have already initiated the process, this webinar will be an invaluable refresher, highlighting common misconceptions and easily overlooked aspects of the new rules to avoid potential pitfalls and stay on track.

Join Brad Miller, Director of Legal & Regulatory Affairs at NADA, and Chris Cleveland, CEO & Co-Founder of ComplyAuto, as they aim to equip you with practical tips and straightforward tasks to ensure you meet the deadline. By focusing on essential, easy-to-accomplish items, you'll be well on your way to compliance and prepared for potential enforcement actions. Take advantage of this opportunity to get up-to-speed and confidently navigate the June 9th Revised FTC Safeguards Rule Deadline.



[Learn More](#)

NEWSLETTER SPONSOR

For nearly 100 years, Zurich has worked alongside dealerships to develop products, training and innovative programs that help accelerate growth and protect your legacy. Our team's industry experience will show in every transaction with your organization - and in the products, tools and ideas we offer.

FLINT AREA DEALERS

Downtown Flint SOS Office Closed May 8-12

The Secretary of State office at 408 S. Saginaw St. in Flint will permanently close at 5 pm Friday, May 5, as it moves to a new location.

The office is moving to 310 E. Third St. in Flint and will open for business at 9 am Monday, May 15. The new building, less than a mile from the old location, offers more open lobby space, improved counters, public restrooms, new carpet and free parking in the street and at an adjacent lot.

[SOS Press Release](#)

ALERT: STOLEN VEHICLES



Commercial Vehicle Driven Through Security Gates to Access New Cars

A mid-Michigan dealer has shared a vehicle theft warning. A group of individuals first stole a large, heavy commercial vehicle from another business and used it to ram through the dealership's gate. The suspects then broke into a dealership building, found a few loose keys for vehicles being prepped for delivery, and drove away with five new vehicles.

Dealers are unfortunately in an environment where every vehicle key must be locked up at night, without exception. This extends to keys for dealer owned vehicles, recently sold vehicles awaiting delivery, and vehicles in for service. We remind dealers to check in with managers and staff on occasion to ensure your proper security protocols are being followed.

If you have questions or other information to share, please reach out to MADA.

SAVE THE DATE

Golf with MADA in September!

When was the last time you enjoyed some downtime with colleagues and friends in Michigan's beautiful fall weather? The MADPAC golf outing on Tuesday, September 12, 2023 could be just the activity you need. A little recreation and camaraderie are essential to being our most effective selves!



Want to make sure you are the first to hear when registration opens?

Leave your name and email [here](#) and we will notify you once registration opens for the September 12 golf outing.

Associate Members...

Sponsorship opportunities are now available for the 2023 event. Many MADA partners and friends graciously support and attend this event each year. Please see the sponsorship levels [here](#). You may also contact Debbie Korn directly for more information: (800) 292-1923 or email dkorn@michiganada.org.



CAPITOL CORNER

- Nesbitt Wants Debt Paid Down; No 'Partisan Spending Spree'
- Anthony's Bill Outlawing Race-Based Hair Discrimination Receives First-Ever Hearing

- Buckle Up; House Dems Want To Standardize Car Seat Rules
- Adding Abortion Protections To Elliott Larsen Moves To Governor
- Local Governments Unite Against Aggregate Bills

This week in Michigan history, in today's *Capitol Corner*.

Oh, how the times have changed...

On May 7, 1958, "Mrs. Michigan" Barbara DOLAN of Greenville won the first home-making event in the second day of a competition in the Mrs. America television contest. Dolan, 32, a married mother of two, took first in the dishwashing contest.

Other events included dyeing, cake-baking, cooking, table setting, swing, good grooming and public interview. A 34-year-old mother of three from Ohio ended up winning the competition.

MEMBER NEWS

18 Aces to Conquer Cancer

Monroe Dodge Chrysler Jeep Ram Superstore and the Mahalak Auto Group are hosting a golf outing on Wednesday, June 14 at Monroe Golf & Country Club to raise funds for Karmanos Pancreatic Cancer Research.



There is a chance to win a Jeep lease with every hole-in-one and millions worth of cars to give away! This Par 3 best ball scramble will be a fun, quick unique round of golf for everyone!

Pancreatic cancer spreads rapidly and is seldom detected in its early stages, which is a major reason why it's a leading cause of cancer death. The Mahalak Auto Group's Pancreatic Cancer Research Fund aims to spread awareness of pancreatic cancer, while donating proceeds to the Barbara Ann Karmanos Cancer Institute...[read more](#)

AROUND THE WEB



Consumer Alert: BMW Upgrades Takata Recall to "Do Not Drive" Warning



105 years ago in automotive history: General Motors buys Chevrolet

BMW has issued a "Do Not Drive" warning for 90,000 vehicles that are already under recall for a defective Takata air bag.

Models involved in this recall include: 2000-2006 BMW 3 Series (E46) including M3, 2000-2003 5 Series (E39) including M5, and 2000-2004 X5s (E53) equipped with certain driver's front airbag inflators manufactured by Takata.

[Read More](#)

WDIV News 4 I On May 2, 1918, the automotive world would change in a huge way. It was on this day that General Motors, which eventually became the world's largest automaker, acquired Chevrolet Motor Company. William C. "Billy" Durant, the founder of General Motors, also founded Chevrolet in Detroit in 1911, which he named after his partner and race car driver, Louis Chevrolet.

[Read More](#)

EDUCATIONAL OPPORTUNITIES

Zurich (May 15-17) [Service Advisor Training 2023](#) - Zurich's training is designed to improve KPIs for all levels of advisor – from entry to advanced, veteran and manager, with proven results

UHY (May 17) [Unravelling Digital Transformation: Successfully Implementing New Technologies](#) - From accounting systems to quality assurance tools, companies are leveraging the power of artificial intelligence and machine learning to maximize productivity and minimize common errors. However, the transformation path is often easier said than done.

NADA (May 23) [Understanding Universal Analytics and GA4](#) - Google's Universal Analytics will soon be transitioning to GA4. This transition will significantly change Google Analytics sessions, conversions, and events.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Huntington National Bank has been proudly supporting the auto dealers of Michigan for over 60 years. Huntington Auto Finance provides dealer partners with wholesale floorplan, real estate, acquisition, working capital, retail lending, and dealership banking solutions.

[Website](#)



UHY works closely with your dealership as an active partner in your success. As your business advisor, UHY will help you navigate the twists and turns in your fast-paced industry, delivering the strategic solutions you need to gain a competitive advantage. UHY has a highly skilled team of dealership professionals.

[Website](#)

MADA Fast Facts



May 12, 2023

Vol. 25 | Issue 19

[View as Webpage](#)

SPRING MEETING RECAP

It Was Wonderful To Be Back in Person for This Educational and Networking Program!

We thank the many dealers, staff, sponsors and special guests who joined us on Wednesday for the MADA Spring Dealer Meeting. It was wonderful to see you again!

Secretary of State Jocelyn Benson gave a nice update on her department. Kevin Tynan's presentation on *The Dynamics Changing the Auto Industry* provided valuable insight into the dynamics and influences that are shaping the future of the industry, plus issues that are affecting EV adoption. This event also gave MADA an opportunity to update attendees on association activities and some "hot topics" we are following.



We appreciate the sponsors and vendors who joined us and provided information and new opportunities for dealers. Attendees also enjoyed the multiple prizes and giveaways from MADA and our sponsors. For those who could not attend, following is some information you may find valuable.

- At-home charging, customer handouts - [Consumers Energy](#) | [DTE](#)
- Armatus Dealer Uplift - [retail warranty reimbursement](#)
- Blue Cross Blue Shield - [resources to Inform and Engage](#)
- CAPTRUST - [Investors in Limbo as Fed and Markets Clash](#)
- CVR - [fast, secure, certified vehicle registration](#)
- MADSIF - [workers' comp for Michigan auto dealers](#)
- Michigan Retailers Services - [payment processing](#)
- Zurich - [helping dealers adapt and grow their businesses](#)

Thank You Sponsors...

The incredibly generous support of our Signature Sponsors allowed MADA to provide this program, keynote speaker and meals to dealers and staff without registration fees. Please reach out to these companies when you are reviewing vendor relationships. Debbie Korn at MADA would also be happy to provide additional information.



NEWSLETTER SPONSOR



[Learn More](#)

For nearly 100 years, Zurich has worked alongside dealerships to develop products, training and innovative programs that help accelerate growth and protect your legacy. Our team's industry experience will show in every transaction with your organization - and in the products, tools and ideas we offer.

MECHANIC CERTIFICATION

SOS Testing Improved and More Accessible

Secretary of State Jocelyn Benson has announced improvements to the mechanic certification process. Updated certification exams now cover current automotive technology. A partnership with the Michigan Department of Education also provides opportunities for students' to take tests at participating schools.

- 17 licensing and certification tests have been rewritten to include new industry standards and technology and twice the question content as previous tests.
- The eight tests that make up the Automotive/Light Truck series of tests have been updated.
- The remaining nine tests in the areas of Heavy-Duty Truck, Motorcycle and Collision are set to follow in coming months.

For more information about the updated mechanic testing program and its

implementation across the state, view the press release linked below and visit the [MDOS website for mechanics](#).

[Press Release](#)

SCAM ALERT

Scammers Continue to Use "Creative" Techniques



Here are a couple out-of-state scams we recently heard about. As dealers know all too well, new tactics are being attempted all over...and what was old, becomes new again.

1) Two individuals who claim to own a business visit the dealership to buy a vehicle, using a valid bank account. Financing is completed using that account, and the delivery of the vehicles occurs at such point. Within a 24-hour period, they return to the dealership claiming they used the wrong account and then write checks out of another account they have, which is a closed account. They were successful with this scam more than once.

2) Scammers are purchasing fake keys and finding a vehicle of the same make and model listed for sale. The scammers will make arrangements to test drive the vehicle, and when they return, they give the fake key to the dealership or owner, keeping the original key. The scammers return later that night and steal the vehicle.



MADPAC REMINDER

MADA Members Must Be Part of the Process

The legislative landscape in Michigan changed significantly this year. You have all seen the news articles about "hot topic" legislation being introduced and somewhat quickly passed. There are many other bills on the table and ideas being discussed that don't make the news. Our new leaders have power and an agenda. It is important that these legislative leaders know Michigan's franchised dealers, understand your business and realize the large and positive impact you have in this state.

Our association and ADM leaders are working to maintain and create relationships at our Michigan Capitol. We are also monitoring a large number of legislative proposals that could amend the Michigan business environment.

Many of our regular contributors have already donated in 2023, and we are pleased to have a few new names on the list this year. **Our network of franchised car and truck dealers throughout Michigan needs a MADPAC commitment from all members in 2023.** Let's work together to make sure our elected state officials understand how our dealerships will continue to benefit the state.

Give your support to MADPAC in 2023 and help us maintain a voice at the Michigan Capitol. Visit the MADA website at www.michiganada.org for more information or call the office at (800) 292-1923.



CAPITOL CORNER

Keep Reading

- Both Sides Entrenched As Panel Digs Into Aggregate Debate
- Budgets Clearing Both Chambers; GOP Voting 'No' En Bloc
- DNR Director Makes Skunks, Squirrels Nuisance Animals In Face Of Protest
- State GOP Finds New Digs In Downtown Lansing

MEMBER NEWS

General RV Center Launches Contest for Camping Season

As campers plan another summer of outdoor adventures and s'mores around a campfire, General RV Center wants to hear about their camping stories. The largest family-owned RV dealership in the country has launched its "Come Home With A Story" contest. The contest encourages campers to share their stories for a chance to win a \$1,000 General RV gift card to enhance their camping experience...[keep reading](#)

General RV has also been [recognized by Crain's Detroit](#) as one of the largest family-owned businesses and the top family-owned RV dealership in the state!

AROUND THE WEB



Auto lenders fear worsening economy could lead to more fraud

Dealership EV Sales

Quintupled Between 2020 and 2022

NADA | Local dealerships are essential in selling and servicing electric vehicles (EVs) - and the numbers back it up. Wards Intelligence data shows that dealerships sold nearly five times as many EVs in 2022 as they had in 2020. And the projections for 2023 anticipate another big leap.

[Read More](#)

Automotive News | Auto lenders polled by artificial intelligence and data provider Point Predictive for its 2023 Auto Lending Fraud Survey fear worsening economic conditions could push loan fraud and defaults higher this year. The survey showed 70 percent of auto lenders are preparing for a declining economy this year compared with 2022. Another big concern was that fraud was on the upswing.

[Read More](#)

Do You Know a Dealer Whose Support Deserves to be Recognized?

[Make a nomination](#) for the TIME Dealer of the Year award or the Northwood Dealer Education award, to be presented during the 2024 NADA Show.

EDUCATIONAL OPPORTUNITIES

NADA & ComplyAuto (May 18) [Procrastinator's Guide: Complying with the June 9th Revised FTC Safeguards Rule Deadline](#)

Michigan Treasury: [Tax and Audit Webinar Series](#)

- May 15 Sales and Use (SU) Tax Basics
- May 23 Ins and Outs of SU Tax Returns
- May 24 SU Filing and Payment Rules
- May 25 The Audit Process

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

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.



[Website](#)

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.



Supporting Michigan's franchised dealers for more than 100 years!

MADA Fast Facts



May 19, 2023

Vol. 25 | Issue 20

[View as Webpage](#)

NEW LEGISLATION

Vehicles Purchased For Resale Are Exempt From Use Tax

As new vehicle dealers know, there is an exemption from the state's 6% use tax when a vehicle is purchased and held in inventory for resale. Recent legislation (Senate Bill 326) will amend the Use Tax Act to clarify the point of tax exemption, as it relates to the Michigan Department of Treasury. On the dealer side, assigned and resale titles will continue to be exempt from the state's use tax while being held for inventory.

Due to the implementation of the Secretary of State's ELT program, each time an assumption is made a new electronic title is generated. This was creating a "pop up" for Treasury about the vehicle's use. This new legislation will redirect Treasury's attention from a vehicle being electronically *titled* by a dealership to one being *registered* for dealership use.

As Kurt Berryman, ADM legislative director, explained to MIRS news, "when you register the vehicle...you're plating it, you're putting it in your name and saying it's yours. It's just a much better reflection that a conversion may occur."

This legislation has been supported by ADM and its dealer board, as well as the Michigan Department of Treasury. Please contact MADA if you have any questions.

Also see this week's [Capitol Corner](#) for more on this topic.

NEWSLETTER SPONSOR



[Learn More](#)

Abbott Nicholson's motor vehicle dealership team has the unique knowledge and experience to serve the legal needs of this energetic industry, including corporate, transactional, regulatory, and litigation matters. Furthermore, the firm's experience in the industry has been recognized by various insurance companies through numerous engagements as counsel for dealerships.

ISL RENEWALS

Renewals Should Be Submitted No Later Than June 15

Based on feedback from DIFS and communication with dealers, the renewal process has been moving along smoothly this year. Your attention to detail and timeliness getting everything submitted early is appreciated by DIFS!

DIFS has notified MADA that reminders have been emailed to dealers who still need to renew their installment seller license. Please keep in mind that the renewal paperwork was sent to dealers by email and all paperwork and payments must be submitted electronically. Please confirm all three steps of the renewal have been submitted:

1. Volume of activity
2. Payment
3. Submission of renewal application

MADA is always happy to help if you have any questions or complications with the renewal process. Call our office at (800) 292-1923 or email mbrenke@michiganada.org.

UPDATE FROM MICHIGAN RETAILERS

VISA Announces Surcharge Changes

A surcharge is when a business adds an additional fee to a customer's credit card purchase to cover the cost of the credit card

processing fee. Visa recently announced changes to their surcharge rules, and the maximum surcharge amount that businesses can charge their customers when they pay with a credit card.



- The maximum amount allowed for a credit card surcharge was recently lowered from 4% to 3%. This applies to both new and existing businesses.
- Surcharging is prohibited on debit and prepaid cards.
- Proper surcharge signage is required at the business entrance and at the point of sale.

For additional information, including sample surcharge signage and an FAQ handout, please see this [article](#) from Michigan Retailers Association.

Registration Closes Friday for the ATD Truck Industry Forum and Legislative Fly-In



The registration deadline for the 2023 ATD Truck Industry Forum is **Friday, May 19**. Register today as hotel rooms are booking up quickly! The forum, June 20-21, 2023 is open to all truck industry stakeholders. Rep. Mike Collins (R-GA) and Rep. Nancy Mace (R-S.C.) have agreed to speak during the ATD Truck Industry Forum on Wednesday, June 21. Representative Rudy Yakym (R-IN) will be speaking at the NextGen reception.

The Legislative Fly-In is open to ATD members and Automotive Trade Association Executives (ATAEs) only. **Truck dealers and ATAEs can register for the Forum and Fly-In by clicking [here](#)**. Please contact Kim Carey with any questions at kcarey@nada.org.



Keep Reading

CAPITOL CORNER

- Vehicles Purchased For Resale Are Exempt From Use Tax
- Senate Votes To End 'No Stricter Than Federal' Law
- Crack Down On Cage Free Mandate In The Works
- Where's Hill Harper?

MEMBER NEWS

Mid Michigan College receives engine donation for automotive program

Students in the Mid Michigan College Automotive and Diesel Service program will be able to better understand the workings of modern engines after a recent donation from a local automotive dealer.



The program, housed at the Clare-Gladwin Regional Education Service District's Magnus Center facility, received a donation of a 3.7 liter Ford Mustang EcoBoost engine from the Midland Ford Lincoln dealership in Midland.

Shawn Troy, dean of workforce and career education at MID said the engine donation, valued at over \$4,000, will allow students to get hands-on experience in diagnosing common issues...[keep reading](#)

Todd Wenzel partners with Davison basketball

For the remainder of May, Todd Wenzel Buick GMC of Davison will donate a portion of every used car purchase to help Davison High School basketball teams purchase equipment for their summer training.

“We believe that supporting our local schools is essential to the success of our community, and we’re proud to partner with Davison High School basketball teams,” said Todd Wenzel, owner of Todd Wenzel Buick GMC of Davison.

The dealership will also host the boys’ and girls’ basketball teams for two car wash events during May. All proceeds will go directly to the athletic department to support the basketball program...[keep reading](#)

AROUND THE WEB



FTC Sends More than \$3.3 Million to Consumers Harmed by Illegal Junk Fees and Discriminatory Practices

FTC | Payments totaling more than \$3.3 million are being sent to customers of Passport Auto, a Washington D.C.-area auto dealer. In October 2022, the FTC charged Passport with adding hundreds, or even thousands, of dollars in illegal junk fees to car prices and for discriminating against Black and Latino consumers by charging them higher fees and financing costs.

[Read More](#)



Scrap tires to get new life on mid-Michigan roads

WNEM News 5 | Many Michigan roads have long been a pain. But now, what we use to drive on them could become part of them. “The major part of the work we’re doing is trying to recycle scrap tires,” said Zhanping You, with Michigan Technological University.

You is the lead researcher for several road projects across the state. He and his doctoral students are moving forward on studying rubberized asphalt for two busy roads in mid-Michigan.

[Read More](#)

Consumer Alert: Jeep “Park Outside” Recall

Chrysler has [issued a new recall](#) for model year 2014-2016 Jeep Cherokee

EDUCATIONAL OPPORTUNITIES

Michigan Treasury: [Tax and Audit Webinar Series](#)

- May 23 Ins and Outs of SU Tax Returns
- May 24 SU Filing and Payment Rules
- May 25 The Audit Process

vehicles due to a risk of fire.

- May 30 Treasury Web Services for SU Tax
- June 1 MTO Live Demonstration

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Federated Insurance® provides industry-specific insurance products and risk management resources. Local marketing representatives can help businesses create the insurance program that fits their needs.

Website



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.

Website



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

[Unsubscribe skniss@michiganada.org](mailto:skniss@michiganada.org)

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MADA Fast Facts



May 26, 2023

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Our deepest gratitude goes to the fallen men and women who served our country and make this world a better place. Please take a moment this Memorial Day weekend to honor those who are no longer with us.

FTC SAFEGUARDS RULE

Data Security and Privacy Compliance Risk Assessment

Reminder: full Safeguards Rule compliance deadline is June 9, 2023

NADA is a long-time member of Standards for Technology in Automotive Retail (STAR) and supports STAR's efforts in seeking to increase efficiency through the voluntary adoption of standards and the promotion of competition in the auto retail technology space.

As part of their efforts, STAR recently announced a set of uniform risk assessment standards that are intended to assist dealers and vendors alike in complying with certain requirements under the FTC's amended Safeguards Rule. The purpose of this tool is to help simplify and standardize dealership and vendor compliance with the Safeguards Rules requirement to have dealers periodically assess their service providers for the adequacy of their physical, administrative, and technical information safeguards. [Learn more](#) about STAR's free risk assessment questionnaire.

More information from NADA

- Safeguards Rule compliance portal www.nada.org/safeguardsrule
- Webinar, on-demand: [Procrastinator's Guide - Complying with the June 9th Revised FTC Safeguards Rule Deadline](#)

NEWSLETTER SPONSOR



[Learn More](#)

Abbott Nicholson's motor vehicle dealership team has the unique knowledge and experience to serve the legal needs of this energetic industry, including corporate, transactional, regulatory, and litigation matters. Furthermore, the firm's experience in the industry has been recognized by various insurance companies through numerous engagements as counsel for dealerships.

CVR NEW USER TRAINING

Training Supports Employees and Benefits Your Customers

In recent discussions with CVR and the Michigan Department of State, it was commented that they are more frequently seeing mistakes in CVR paperwork. This makes extra work for dealership employees who must then correct the mistakes, but it may also delay processing times and impact your customers.

CVR dealers are reminded that free training is offered to all participating dealerships. **If you have a new employee who will be using the CVR system, or an existing employee who would like a refresher**, please reach out to CVR for training opportunities. They are happy to work around your schedule.

Please contact Diana or Jill for training information:

- **Diana Conway** (248) 892-6740 | dconway@cvrreg.com
- **Jill Wigger** (847) 252-0173 | jwigger@cvrreg.com

MDOT TRAFFIC UPDATE

Traffic Restrictions Lifted to Ease Memorial Day Travel

This Memorial Day weekend, the Michigan Department of Transportation (MDOT) is removing lane restrictions on more than 55 percent of its road and bridge projects statewide to ease traffic delays for holiday travelers. AAA Michigan estimates more than 1.2 million Michigan residents are expected to travel 50 miles or more from home during the Memorial Day holiday weekend, a 9 percent increase from last year.

Beginning at 3 p.m. Friday, May 26, and continuing until 6 a.m. Tuesday, May 30, 81 out of 146 projects statewide will have lane restrictions removed. While motorists will see suspended operations in most MDOT work zones for the weekend, drivers are advised that equipment and certain traffic configurations may remain in place, like temporary shifts or shoulder closures.

FRAUD ALERT

Vehicle Shipped to Customer, Two Months Later It's Reported as a Fraudulent Sale

A dealership in southern Michigan has asked that we share information about another fraudulent identity situation.

The dealership received a call through a lead program. The customer was interested in a 2021 RAM truck. The sales process and paperwork was handled electronically and by phone. The customer had a license from a border state and had arranged for a shipping company to pick up the vehicle and deliver it to his address. Financing was approved, the dealership contacted the shipping company to verify details, and the vehicle was picked up as planned.

Two months later, the financial institution alerted the dealership that the vehicle was purchased with a fraudulent identity.

MADA always recommends out-of-wallet questions during the financing process. We are also hearing of more and more dealers/staff doing online research on a customer when the situation has "non traditional" circumstances or when the customer him/herself never steps foot inside the dealership. Sadly, many businesses are struggling with the high level of identity fraud across the country and some are turning to Google and Facebook profiles as an extra identity verification step.

If you have questions or similar situations to share, please reach out to Summer Kniss at (800) 292-1923 or email skniss@michiganada.org.

More Fraud Around the Country

- [Sacramento couple uses stolen mail to defraud dealerships out of \\$250K worth of cars](#)



Keep Reading

CAPITOL CORNER

- 1-Year Lifespan Of Tax Rollback Could Face Litigation In Late '23 Or Early '24
- Locals, Business Groups Suggest Ways To Spend \$1B+
- More Michigan-Made Semiconductors? It's In The Works
- Retail Sales Up In April; Entrepreneurship Stays Strong

MEMBER NEWS

Taylor Chevrolet Supports Taylor North Little League

Taylor Chevrolet has joined forces with the national Chevrolet Youth Baseball and Softball program to aid the Taylor North Little League. The dealership will provide the team with new equipment and invitations to free instructional clinics. Community members also will have an opportunity to earn donations for the league via a test drive fundraiser.



“Playing baseball and softball helps kids develop skills like leadership, cooperation and sportsmanship while bringing families and communities together to show their support,” said Mark Montante, general manager for Taylor Chevrolet. “Taylor Chevrolet and Chevrolet Youth Baseball and Softball are proud to participate in a sport that brings so many smiles to kids and families in Taylor. Chevrolet believes in the power of play as a way for young people to build the skills needed to be successful in the future and supports the spirit of teamwork that baseball and softball instills in its players.” ...[keep reading](#)

AROUND THE WEB



Fraud in Digital Retailing Is Up. Here's What Dealers Can Do.

Wards Auto | Digital retailing is here to stay in automotive, and it is growing like wildfire. However, while outsiders think the auto industry worries the most about getting inventory levels back to normal, their prime concern is fraud in digital retailing and the threat of profit erosion.

According to industry estimates,



Auto industry could 'cushion' Michigan's economy in a coming recession, experts say

MLive | Michigan's economy is well-positioned to weather an anticipated economic downturn later this year, analysts reported Friday, thanks in large part to the state's auto sector. The state economy is expected to slow toward the end of 2023, economists told state financial officials Friday, May 19, at the

approximately one out of every five car buyers is considered primarily digital, meaning they've done more than 50% of the work to buy a vehicle online.

[Read More](#)

Consensus Revenue Estimating Conference, which provides a revenue forecast in advance of the state budget enactment.

[Read More](#)

DIFS REMINDER:

[check your installment seller license renewal status](#)

Your financial partners and auctions may request a copy of the renewal confirmation.

EDUCATIONAL OPPORTUNITIES

Michigan Treasury: [Tax and Audit Webinar Series](#)

- May 30 Treasury Web Services for SU Tax
- June 1 MTO Live Demonstration

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

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 solutions, we help put your vision into action.



[Website](#)

Newtech Dealer Services™, established in 1998, is one of the industry's leading innovators in technology, consulting, financial services, and vehicle management. Our proven systems and methods have helped our clients throughout the country increase revenue, control expenses, and create efficiencies.



Supporting Michigan's franchised dealers for more than 100 years!

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MADA Fast Facts



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WHEN A SALE GOES BAD

Nobody Thinks a Financial Institution Will Deny the Loan On a Delivered Vehicle...until They Do

MADA has heard from numerous dealers recently about situations where a customer finances a vehicle, delivery is made, then sometime later the dealership is notified financing has been withdrawn. It could be an identity theft purchase, or the customer provided falsified financial information, or the financial institution simply denies the loan for some other reason. We hear the same comment over and over...everything about the transaction seemed great and the sales team didn't notice any red flags during the process. Unfortunately, it does happen, and MADA is getting calls almost weekly about this problem.

Why is this a major problem? (We realize some of these are obvious!)

1. The customer has possession of a vehicle and the financial institution is no longer agreeing to pay you for it.
2. The financial institution is the first secured party (lienholder) listed on the vehicle's title.
3. You **do not** have the **immediate right** to repossess the vehicle.
4. The lienholder no longer has a financial interest in the vehicle and is not going to repossess the vehicle and return it to you.
5. Even if you talk to the customer and they are willing to return the vehicle to the dealership, the title still has to be transferred into the name of the dealership.
6. **The dealership is now in a position where it needs to file a lawsuit (\$\$\$) to regain possession of the vehicle and have it identified as the lienholder... *UNLESS you had the customer sign a TR-210 form during the purchase process.***

FORM TR-210 | Notice of Assignment of Secured Interest in a Vehicle

It is highly recommended that dealers add the MDOS form TR-210 to the list of forms signed by a

customer during every vehicle transaction. (You never know when a seemingly simple sale will go wrong.) By completing this form, the purchaser authorizes the dealer to be identified as a secured party on the title to the vehicle if the original lender listed on the original RD-108 decides not to finance the vehicle. This will place the dealership in a position to repossess the vehicle without having to file a lawsuit and seek the assistance of a court.

Save yourself a potential lawsuit in this situation and get a customer signature on [Form TR-210](#).

If you have additional questions on this topic please reach out to your legal counsel or contact MADA at (800) 292-1923.

Michigan Department of State Clear Form

Notice of Assignment of Secured Interest in a Vehicle

Vehicle Information			
Title	Year	VIN	

Vehicle Owner Shown on RD-108 Title Application			
Name	Street Address		
City	State	Zip Code	

Secured Interest Shown on RD-108 Title Application			
Name	Street Address		
City	State	Zip Code	Date of Original Lien

Secured Interest To Be Assumed By:			
Dealership Name	Street Address		
City	State	Zip Code	Date Lien Transferred

As the purchaser of this vehicle, if the first secured interest listed on the RD-108 is not accepted (the loan is not approved), authorize the dealer listed above to assume the loan and finance the vehicle as provided under MCL 257.238. I understand a corrected title will be issued showing the dealer named above as the new secured interest.

Vehicle Purchaser's Signature	Printed Name	Date
<input checked="" type="checkbox"/>		

TR-210 (11/2017) Authority granted under P.A. 302 of 1989 as amended.

- Attach copy of original RD-108 title application.
- The lender/shower on the RD-108 must submit a Notice of Rejection of Vehicle Financing (Secretary of State form TR-205).
- The dealership assumes the loan and applies for a corrected title by submitting this form with new title application, a copy of the original RD-108 title application, standard title fee, and the outstanding title (if available).
- A corrected title showing the dealer as the new secured interest will be mailed to the vehicle owner.



Learn More

NEWSLETTER SPONSOR

Merchants Bonding Company is among the top 15 surety writers in the United States. For 90 years, Merchants has honed its expertise in surety, offering first-class service and a common sense underwriting approach to give our agents an edge. Merchants is proud to underwrite dealer surety bonds through MADA's Dealers Insurance Agency.

MADPAC GOLF OUTING

Who's On Your Favorite Foursome?

Early registration for the 32nd annual MADPAC golf outing will be posted in *Fast Facts* on June 16. Additional information will be mailed to MADA members later this month. Make sure the date is on your calendar!

- **When** Tuesday, September 12, 2023
- **Where** Hawk Hollow Championship Golf Course | Bath, MI
- **Format** 18 hole scramble

This annual outing is a great opportunity to get away from the office and enjoy the fun and fellowship that comes while connecting with colleagues and co-workers. The tournament will feature a day of friendly competition and camaraderie on an award winning golf course.

Keep an eye on your *Fast Facts* newsletter for early registration details, or check the [golf outing web page](#) for regularly updated information.

Credit Privacy Number

A west Michigan dealer has shared that at least two separate customers recently attempted to purchase a vehicle using a CPN (also referred to as credit profile numbers or credit protection numbers) which are numbers "issued" by scam companies.

According to Experian, "Companies selling CPNs market them as replacement SSNs, promoting the idea that CPNs are legitimate...In reality, these companies are scam artists. They may obtain SSNs by dubious means - often from children, senior citizens or prison inmates" ([read more](#)). A quick online search will also show videos with titles such as "CPN car hack, step by step process to obtaining a vehicle."

In addition to the obvious red flag, this dealership also noted other issues including, no derogatory / collections on bureau, multiple addresses, expired driver's license with current state ID and expired temporary driver's license.

The Out-of-State Shipping Customer

This scam must be working around the country because we keep hearing about attempts (some successful) all around Michigan.

An out-of-state customer (often Midwest) contacts the dealership, completes the credit check and properly answers out-of-wallet questions. Financing is approved. He asks that the vehicle be delivered to his home or office, which may be different from the address on the license or financing paperwork (because coincidentally, he recently moved). In a recent instance, the dealership did an online search and discovered that the business the customer claimed to own belonged to a gentleman who had died five years prior. The dealership ended up speaking with his widow and further learned that the SSN provided was not his, so it is believed that the scammer had pieced together a synthetic identity.

We continue to include these fraudulent purchase attempts in *Fast Facts* so dealers are aware how frequently they are being attempted in all areas of the state. If the scam is caught before the vehicle is delivered, we are hearing that the police are less likely to get involved, leaving the scammer to try again somewhere else.

We encourage all dealers to discuss your fraud prevention policies with your team to ensure everyone understands what is considered a red flag, and how to proceed if a concern is noted.

INSTALLMENT SELLER LICENSE

DIFS Reports Nearly 50% of Dealers Still Need to Submit ISL

Renewals

We thank the many MADA members who have already completed the installment seller license renewal process. The license status will be updated on the DIFS website once processed and approved. (Your financial partners and auctions may request a copy of the updated renewal confirmation.)

- License lookup: <https://difs.state.mi.us/locators?searchtype=ConsumerFinance>.

As a reminder to those still coordinating the renewal, please keep in mind that DIFS requests all materials be submitted by **June 15** to allow time for review and processing. If paperwork and payment is not provided by the final deadline, the dealership risks losing the ability to finance vehicles.

MADA is always happy to help if you have any questions or complications with the renewal process. Call our office at (800) 292-1923 or email mbrenke@michiganada.org.

MEMBER NEWS

Ford Summer Block Party

Southeast Michigan Ford Dealerships are offering summer fun during their Summer Block Party, throughout June, July and August! Guests can check out the new Ford line-up and find out about the latest Ford technology.



Representatives from Ford Tech Recruiting will also be on-hand with more info about starting a career with Ford...[keep reading](#)

AROUND THE WEB



Encrypting NPI in Transit and the Safeguards Rule

ComplyAuto | In the ever-evolving world of digital communication, protecting Non-Public Personal Information (NPI)



Cox Automotive Forecast: New-Vehicle Sales In May Expected to Jump By 20% As Inventory Concerns Fade

Cox Automotive | The annual new-vehicle sales pace in May is

remains a paramount concern for businesses. The FTC Safeguards Rule underscores the importance of secure information transit. We'll spend some time discussing the Rule's actual requirements as well as our newest solution that answers the question, "How do I deal with sending and receiving sensitive customer information?"

[Read More](#)

expected to finish near 14.9 million, up 2.3 million from last May's 12.6 million pace, but down from April's 15.9 million level. May sales volume is expected to rise 20.3% from one year ago and reach 1.35 million units.

[Read More](#)



EDUCATIONAL OPPORTUNITIES

BCBS (Jun. 6) [Falls Safety and Prevention](#)

Learn how to prevent tripping hazards and falls. BCBS will also demonstrate exercises to incorporate into your daily routine to help improve balance.

HIGHLIGHTING OUR ASSOCIATE MEMBERS

BANK OF AMERICA 

[Website](#)

Bank of America provides retail loan financing and the full range of commercial banking services to automobile dealers across the United States. These services include comprehensive inventory financing, commercial loans, depository services, and merchant and treasury management services.

DAWDA MANN
Counselors At Law 

[Website](#)

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.



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Phone (800) 292-1923 | www.michiganada.org

MADA Fast Facts



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IS Renewals Are Due

DIFS shows that approximately 100 new car/truck dealers have not yet submitted their **installment seller license renewal** paperwork. Please confirm that all three steps of the renewal have been electronically submitted for each of your locations.

License lookup: <https://difs.state.mi.us/locators?searchtype=ConsumerFinance>

ANOTHER WIN FOR MADA MEMBERS

Kurt Berryman Takes the Top Honor

We are thrilled to announce that Kurt Berryman, legislative director for MADA and DADA's Auto Dealers of Michigan, LLC (ADM), has once again emerged as the reigning champion among individual lobbyists for Michigan membership organizations / associations. His knowledge of the Michigan legislative environment and the automotive industry, paired with his influential personality have secured his place as #1. Congratulations, Kurt!

Kurt claimed an impressive 11% of the votes, with Wendy Block from the Michigan Chamber taking second place with 6%. Since 2009, Kurt has won the most effective lobbyist category six times. (The [MIRS/EPIC-MRA Insider Survey](#) is released biennially.)

Under the guidance of Kurt and a dealer board of managers, the Auto Dealers of Michigan also tied for fourth-place as Michigan's most effective membership organization.

The survey, conducted by MIRS Information & Research Service, Inc. and EPIC-MRA, encompassed the input of 577 respondents, including lawmakers, administration officials, legislative staff, and government affairs professionals. The absence of pre-listed names or options in the questionnaire further displays the

impact Kurt has made in support of franchised dealerships.

When asked about his latest accomplishment, Kurt expressed his gratitude, saying, "Wow, honored. However, I wish I was the top lobbyist in my House – I currently sit solidly in fourth place." (Kurt is married, with two kids.)

We congratulate Kurt on this well-deserved victory!

One way to help recognize his efforts on behalf of Michigan dealerships is through [support of MADPAC](#). Kurt does excellent work helping to distribute these dealer funds in a way that benefits our entire membership. Information about MADPAC was mailed to dealerships last week. You can also read more about the topics Kurt is following in his [spring update](#).



Partner with us today!

[Learn More](#)

NEWSLETTER SPONSOR

iA American: Delivering a Superior Client Experience
Currently serving over 7,000 dealerships nationwide, iA American Warranty Group has the advantage of being a full-service F&I administrator, as well as an "A" rated insurance company. Thanks to our complete integration, iA American controls every aspect of our business and can provide customized solutions that meet your needs.

EMPLOYMENT OF MINORS

Reminders As Dealers Are Hiring Minors This Summer

The following information has been provided by Colombo & Colombo.

If your business employs teens or uses unpaid students as interns, it is essential for you to be aware of, and adhere to, those laws which guide the practice of employment of minors. If your company's gross volume of sales is greater than \$500,000, your business is construed to be engaged in "interstate commerce." As such, both federal and state laws apply, with the more stringent of the two controls. The following provides an updated summary of these laws as they apply to your business and the employment of minors.

Employment of All Minors

1. Unless working for a parent, a minor must be at least 14 years of age to be employed.
2. Prior to employing a minor, an employer must procure and keep on file at the place of employment, a copy of a **work permit**, see:
 - [Combined Offer of Employment and Work Permit/Age Certificate CA-6 for Minors UNDER 16 Years of Age](#)
 - [Combined Offer of Employment and Work Permit/Age Certificate CA-7 for](#)

Work permits are no longer required to be printed on pink or yellow paper.

3. A minor cannot be employed for more than five hours continuously without an interval of at least 30 minutes uninterrupted for a meal and rest.
4. A minor cannot be employed unless an employer or another employee 18 years of age or older is present, nor can a minor be employed at a fixed location in an occupation that involves a cash transaction after sunset or 8:00 p.m., whichever is earlier, unless an employer or other employee 18 years of age or older is present at the fixed location during those hours.
5. An employer must keep posted an informational sheet summarizing the Michigan Youth Employment Standards Act, see:
 - [Informational Sheet: Youth Employment Standards Act 90 of 1978, as amended POSTING REQUIREMENT](#)
6. An employer is also required to maintain a time record on the premises which states the number of hours worked by the minor each day of the week along with the starting and ending times and meal/rest periods.
7. The Michigan minimum wage rate does not apply to minors under the age of 16 years. Therefore, employers must comply with the Federal minimum hourly wage rate of \$7.25 per hour, except:
 - a. Employers may take advantage of a provision under Federal and State law, which allows a training wage to be paid to employees under 20 years of age of \$4.25 per hour for the first 90 consecutive calendar days of employment.
 - b. Additionally, even after the 90 day period expires, employers are not required to pay minors ages 16 and 17 the full Michigan minimum wage rate, but rather may pay these minors 85 percent of the Michigan minimum hourly wage rate if said reduced rate is the same or higher than the Federal minimum wage rate. Currently, the minimum wage rate in Michigan is \$10.10 per hour and the Federal minimum wage rate is \$7.25 per hour. Therefore, since the reduced rate of 85% under Michigan law is higher than the Federal minimum wage rate, **employers can pay the reduced rate of \$8.59 per hour to employees under the age of 18 years.**

View the full Colombo & Colombo notice for more information on:

- Employment of Minors Age 14 And 15
- Employment of Minors Age 16 And 17
- Minors Graduated From High School/Minors With GED/Emancipated Minors
- I-9 Form
- Unpaid Interns

SOS TITLE BACKLOG

Delayed Titles Have Now Been Printed

The Michigan Department of State (MDOS) has notified MADA that they are caught up on the backlog of certain vehicle titles that had been held for printing.

As dealers were notified late last year, this backlog was caused by a national shortage of the special paper used for title stock. This has been a struggle for dealers and state departments around the country. We thank our MDOS contacts for keeping us informed during the delay and moving quickly through the printing process once the title stock became available.

If any dealers are still awaiting a previously delayed title, you are welcome to reach out to James Fackler at (800) 292-1923 or jfackler@michiganada.org. MADA will contact MDOS to determine the current status. Please include the dealership name, dealer license number and VIN when requesting a status check on a title.

32nd annual
MADPAC GOLF OUTING

When Tuesday, September 12, 2023
Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

VEHICLE THEFT

High End Vehicles Stolen During Daylight

A Saginaw area dealer has notified us that two high-end, special edition used vehicles were recently stolen from the dealership. The thefts took place on different days and at different times - but both vehicles were stolen during daytime hours. (The dealership was closed during the thefts.) All dealership keys are accounted for.

It has not been confirmed, but this is likely another situation of key cloning. In just a few minutes, a criminal can use a key re-programmer to clone a key. (This article from [Sunday Times Driving](#) explains some scenarios.) After cloning a key, the suspect comes back later (could be hours or days) and drives away with the vehicle. When talking to an officer from a Michigan auto theft team, it was suggested that keys be stored in a signal blocking device when not in use. Salespeople might also attempt to avoid situations where one person is inside the vehicle, while an accomplice is potentially distracting the salesperson outside of the vehicle.

Dealers are encouraged to continue sharing information about vehicle theft or fraud they have encountered. While we may not always include repeating methods in

Fast Facts, it is beneficial for the association to know what activity is happening around the state. Call MADA at (800) 292-1923 or email Summer Kniss at skniss@michiganada.org.



Keep Reading

CAPITOL CORNER

- Michigan Senate Map Back In Spotlight After Supremes Reject Alabama's Voting Map
- Conversion Therapy Ban Moves Again, Less than 24 Hours Later
- Benson Doesn't Downplay Possible Gubernatorial Run
- Consumers Executive Sees More Buried Power Lines As Protection Against Outages
- Whitmer Asked About Banning Fireworks

MEMBER NEWS

Dealership Book Club

Service managers striving to optimize fixed ops performance might want to rip a page from the playbooks at Sherwood Ford in Alberta and **Shaheen Chevrolet in Michigan**. In short: Get employees together to crack open a good read.

Reading groups in both dealerships' service departments have amped up efficiency, developed better leaders, empowered decision-making, boosted accountability, enhanced customer service and boosted technician retention. And subsequently, key performance metrics — average value of repair orders, throughput and labor hours billed, for example — have risen like a hot novel on the New York Times Best Sellers list...[keep reading](#)

NADA Academy Students

The NADA Academy program prepares current and future dealership leaders to operate a successful and profitable automotive business, while examining the latest in industry trends and technology. We are pleased to recognize the following Michigan dealership employees:



Graduating from NADA Academy in July...

- Micheal Toribio, West Michigan International - Grand Rapids
- Taylor Ghesquiere, Mercedes-Benz of Novi

Beginning NADA Academy in July...

- Brian McIntosh, Tyler Honda
- Brittany Loomis, George Matick Chevrolet

AROUND THE WEB



Buy-Sell Dealership Activity Expected to Grow

Wards Auto | Buy-sell broker firms say auto dealers should expect an elevated rate of dealership acquisitions to resume again this year. They predict the number will be below the record and near-record volumes experienced in 2021 and 2022, but above the pre-pandemic levels in 2019 and earlier.

[Read More](#)



Holding phones while driving in Michigan illegal after Whitmer signs road safety law

MLive | In a bid to reduce road deaths, taking a call with a phone to your ear while driving will be illegal in Michigan beginning next month, after Gov. Gretchen Whitmer signed a bill aimed to combat distracted driving into law Wednesday. Voice-based commands, speech-to-text functions and smartphone integration software such as Android Auto and Apple CarPlay are unrestricted under the new law.

[Read More](#)

SOS Bad Axe

The office at 33 Patrick Dr. in [Bad Axe is closed](#) for a remodeling project. The office will resume normal service at 9am on June 20.

State Holiday | June 19

All branches are closed June 19 in observance of the Juneteenth holiday.

EDUCATIONAL OPPORTUNITIES



DADA (Jun. 15 at 9:30am) [Q'd Up Live with Kurt Berryman and Sen. Michael Webber](#)

Michigan dealers are invited to join Kurt and Sen. Webber on life at the state capitol under democratic control and an update on the state budget and other goings on in Lansing!

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Distributor of PPG paint and associated products for collision repair industry, along with the specialty coatings industry. We also provide services surrounding business development and value-added process for our customers.

[Website](#)



Diversified Members Credit Union is located in Detroit, MI. We are a full service financial institution that has continuously operated for 92 years.

MADA Fast Facts



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32nd annual
MADPAC GOLF OUTING

When Tuesday, September 12, 2023
Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

REGISTRATION IS OPEN

Come Out & Golf With Us on September 12

Join us for an exciting day of golf and camaraderie at the MADPAC Golf Outing! Prepare to tee off alongside fellow industry professionals and enjoy a day of friendly competition on the stunning greens of Hawk Hollow Championship Golf Course, just outside of East Lansing. Dealers, staff, friends, and family are invited to register for this annual event.

- [2023 registration form](#)
- [Payment options](#)
- [Golf outing event web page](#)

Every participant will receive a box of golf balls from [MADSIF](#), a special player gift from **MADA** and a goodie bag, sponsored by [Armatus Dealer Uplift](#)! All dealers are also automatically entered into a drawing to win fantastic gifts, such as golf bags and clubs or overnight getaways to Michigan resorts. Associate members can get in on the fun by donating gifts for the prize drawings!

Numerous prizes will be up for grabs, including closest-to-the-pin and longest drive competitions. Golfers will have ample chances to showcase your golfing prowess and walk away with a prize.

Your participation also supports MADPAC, which directly contributes to shaping the policies that impact our industry. Together, we can advocate for a supportive business environment and ensure a prosperous future for all franchised dealers.

Mark your calendars for Tuesday, September 12, 2023 and register today. Whether you're a seasoned golfer or a beginner looking for a fun-filled day, this event promises to be a great day for all. Secure your spot now and be a part of golf, networking, and support for our industry.



DODGE DEALERS

Notice From Police Auto Theft Team

MADA has been asked to share this information so dealers are aware. We are hearing from auto theft police teams that thieves around the state are targeting Dodge Challengers with a SCAT Pack and Dodge Ram TRXs. The suspects use a PRO PAD to reprogram a key fob and then steal the vehicle. Dealers may want to review placement of these vehicles.



Partner with us today!

[Learn More](#)

NEWSLETTER SPONSOR

iA American: Delivering a Superior Client Experience
Currently serving over 7,000 dealerships nationwide, iA American Warranty Group has the advantage of being a full-service F&I administrator, as well as an "A" rated insurance company. Thanks to our complete integration, iA American controls every aspect of our business and can provide customized solutions that meet your needs.

FOR MICHIGAN FAMILIES

Michigan's Free Digital Protection Tool Expands Reach for Internet Safety Month

Secretary of State Jocelyn Benson has announced that the state's [ProtectMIChild Registry](#) has expanded to include four more online platforms popular with kids and teens. As Internet Safety Month continues through June, Benson and other state officials encourage Michigan parents to add their children's accounts to the free registry to block adult advertising content that may target kids as they spend more time online during the summer school break.

This month, the registry has expanded to include YouTube, TikTok, Discord, and

Twitch accounts. In 2021, Benson partnered with Attorney General Dana Nessel to include Snapchat, Instagram, and Twitter to the services covered under registry, which was created by the Michigan Legislature in 2005.

Press Release

MDOS REPAIR MANUAL

Please Check That Your Printed Manual is Current

The Michigan Department of State recently made revisions to a few chapters of the [Repair Facility Manual](#). A general overview of the updates is below, but dealers and service managers should review the revisions more completely. Any corresponding chapters in your printed copy of the manual having dates that do not match the revision dates should be removed and replaced.

Table of Contents (05/2023)

- Additions involving change of address, name or ownership and record retention, to name a few

Chapter 3, Body Shops (05/2023)

- 3-1.2 Unitized Body and Structural repair
- 3-4 Major Component Part Record (total rewrite)
- 3-5 New section – Estimate and Invoice Body Shop Compliance Criteria
- 3-6 Retention of Damaged parts

Chapter 4, Pre-Repair Requirements (05/2023)

- 4-1.1 Note about the Appendix D example
- 4-1.2 Addition of E
- 4-1.3 C removal of the word "or"
- 4-1.7 Electronic Estimates several changes regarding estimates given electronically
- 4-2.2 Waivers
- 4-2.3 Emergency Waiver

Chapter 7, Mechanic Certification Requirements (03/2023)

- 7-3 Mechanic Certification Testing (changes in web address)
- 7-6 Mechanic Recertification (changes in web address)
- 7-7 Mechanic Trainee permits

We also remind dealers the the [Dealer Manual](#) underwent significant updates in January, following legislative changes to the Motor Vehicle Code. Please make sure the printed copy of your Dealer Manual is current.



- Senate Clinks The Glass On Allowing Colleges To Sell Alcohol To Sports Fans
- 'Death Star' Under Attack As PLAs Strike Back
- Race-Based Hair Discrimination Ban Is Now Law
- Vanity Fair Article Compares Whitmer To Hillary Clinton

[Keep Reading](#)

MEMBER NEWS

Michigan Dealership Supports Local Food Pantry

For a chance to win tickets to a Detroit Tigers game, a Southeast Michigan car dealership is encouraging its neighborhood to help the nearby, local food pantry. The incentive follows a social media call to action from Monroe's Oaks Village Food Pantry. According to the pantry's president, it's demand for food has increased and is expected to continue to grow.



Jessica Liner, a car salesperson at **CR Chrysler Dodge Jeep Ram** of Adrian, heard Oak Village's cries for assistance. The dealership now accepts nonperishable pantry items, canned goods, and packaged food eligible for donations.

[Keep Reading](#)



In Memoriam: Harvey Junior Koning

With sadness, we share the news that Harvey Junior Koning passed away on June 7, 2023 at age 83.

Mr. Koning graduated from Calvin University and the University of Michigan and began his career as a CPA. However, having come from a family of salesmen, he soon followed that path himself. At age 33, he and his brother Harold became owners of a GM dealership in Lowell, MI. He continued as an auto dealer for 44 years including many years at Grand Oldsmobile in Grandville.

He is survived by his wife of 59 years Mary Ann (Hoeksema), his children Harvey and Mara Koning III, Lucinda Koning, and David and Wendy Koning. He is also survived by his brother Harold (Jeanne) Koning.

[Full Obituary](#)



In Memoriam: Michael Charapp

MADA has also learned that Michael Charapp passed away on Tuesday, June 13, 2023 at the age of 74.

Mr. Charapp served the automobile industry for more than 60 years. He was the son of a Dodge dealer in Pittsburgh, Penn., starting out in the parts department at age 13. He worked for his father until he left to attend Georgetown University for law school.

Mr. Charapp started Charapp & Weiss, LLP with his long-time business partner and friend, Brad Weiss, with the vision and focus on protecting the business interests and rights of automobile dealers.

[Full Obituary](#)

AROUND THE WEB



Petoskey approves EV charging fees

Petoskey News Review | In April of 2022, the Petoskey City Council approved a state grant for four EV charging stations at three locations. The council has now announced the rates and fees for using those charging stations. The city has also set an "Idle Time" fee. **(Fees listed within article)**

[Read More](#)



Point Predictive Releases 2023 Auto Lending Fraud Report - Point Predictive

Point Predictive | Leveraging over 23 billion unique risk attributes spanning more than \$2.6 trillion in scored applications, the 2023 Auto Lending Fraud Trends Report presents an in-depth examination of auto lending fraud trends over the past year. Synthetic identity and identity theft have increased by 45% since 2018, with synthetic identity fraud rising by 12% in 2022 alone. The estimated total identity risk for the year reached \$2.3 billion.

[Read More](#)



State Holiday | June 19
All branches are closed June

EDUCATIONAL OPPORTUNITIES

TransUnion & Automotive News (Jun. 21) [Trends in Auto Financing: The State of Leasing](#)

Protective & Automotive News (Jun. 27) [Profit](#)

19 in observance of the Juneteenth holiday.

[Booster: The Critical Role of F&I Programs in 2023 – and Beyond](#)

Dealers Resources Inc (Jul. 18-19) [The Digital Road to a Sale](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Federated Insurance® provides industry-specific insurance products and risk management resources. Local marketing representatives can help businesses create the insurance program that fits their needs.

[Website](#)



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.

[Website](#)



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



June 23, 2023

Vol. 25 | Issue 25

[View as Webpage](#)

SCAM USED CAR OFFERS

If the Seller's Price Seems Too Good to Be True - It Might Be This New Scam

Police are investigating a **three-part scam** where criminals provide a fake lienholder release to a branch office to acquire a clear title. They immediately turn around and sell the vehicle to an unsuspecting dealer. **Here's how it works...**

SCAM #1:

- Scammer purchases a vehicle somewhere using a stolen/synthetic identity, plus fraudulent financial and employment information.

SCAM #2:

- Once they receive the title, almost immediately they visit a branch office with a fake lienholder release and walk out with a free and clear green title.

SCAM #3:

- They turn around and visit a dealership with the vehicle, fraudulent clear title, and a great price offer.
- The dealership purchases the vehicle, resells it to a new customer and the vehicle is later flagged as stolen and repossessed by the original financial institution.

The entire process happens in such a short timeline that the scam is not realized until the new customer is in possession of the vehicle. As you can imagine, this becomes a sticky mess for dealers and leaves customers very unhappy.

One red flag in this situation is the timeline. A clear title was issued within the past few days and the vehicle is already being sold...for a really good price. It appears the same customer may have multiple clear-titled vehicles they want to sell in a very short time frame.

This scam has happened - successfully - multiple times to dealers around the Genesee county area. The vehicles are newer model years, often off-lease vehicles. It appears to be a large, organized group of individuals who know how the process works.

Multiple police departments are currently involved. The Task Force is still determining the exact interworking of the scam. MADA is hoping to have additional information to share shortly. If you have questions or other information to share, please contact MADA at (800) 292-2923 or email skniss@michiganada.org.



MADA Preferred Partner

[Learn More](#)

NEWSLETTER SPONSOR

Get a great group rate on credit card processing with your MADA membership! The Michigan Retailers Association understands you want simplicity and you need to save money when it comes to credit card processing. MRA saves members an average of 33% on credit card processing fees using an easy-to-understand approach. We service all major credit cards (Visa, MasterCard, Discover and American Express) and offer a variety of deposit options.

CREATE A CUSTOMER EXPERIENCE

Causes of Low CSI

By Larry Edwards, Edwards & Associates Consulting, Inc.

I find it hard to believe that after all the years the industry has been playing the CSI game there are Dealerships out there still chasing the elusive “score.” We give lip service and put a fresh coat of paint on the building, upgrade the customer lounge; we hire outside services to “follow-up” with our customers and still fall short of the mark. Where are we failing?

I have researched this question at many Dealerships across the country and have found a common denominator for the majority of sub performing dealers. **To obtain good CSI Scores your dealership must specialize in the three “C’s” COMMUNICATION, COMMUNICATION, and COMMUNICATION.** My experience shows that we often fall short of fulfilling our customer expectations due in part to assuming your customer knows! From the first contact with a customer many of us gear ourselves to falling short.

The initial phone call from a customer is usually met with an electronic voice, or worse, voice mail expressing “how important the customer is,” sound familiar? How about the continuous ringing in their ears as the phone are not answered in a timely manner? Remember your customer starts making their initial decisions about your facility within the first 10 SECONDS of contact with your dealership! What is your score so far?

CSI Trending within our industry shows a great need for support personnel necessary to professionally manage our customer needs. Your customer wants to talk to a live voice when they need you, not a return call when it is convenient for

your personnel. Many successful Dealerships have incorporated an in-house Appointment Coordinator position, prepared to manage the customer as a priority. Another trend of successful Dealerships is to incorporate an Assistant Service Advisor (sometimes referred to as Greeter) to assist your front-line people and ensure adequate time with each customer. It has never been more important that your advisors be limited to a maximum of fifteen customers per day to ensure a good “experience” for your customer. How many repair orders are your advisors writing each day, does it make the grade?...

[Keep Reading](#)

MICHIGAN COLLECTIONS SCAM

Michigan Residents Asked to Be Alert for Fake Letters in Collections Scam

The Michigan Unemployment Insurance Agency and State Treasury Department urge Michigan residents and businesses with past-due state debts to be on alert for scam letters making the rounds through the U.S. Postal Service.

In the scam, residents or employers receive a letter about an overdue state debt that requests immediate contact through a toll-free number to resolve the outstanding balance. The letter aggressively threatens to seize property – including bank accounts, wages, business assets, cars, real estate, refunds and cash – if the debt is not settled.

The correspondence appears credible because it uses personal facts and information pulled directly from the internet and public records. The scammer’s letter attempts to lure a person or business into a situation where they could make a payment to a criminal.

[Press Release](#)

NATIONAL TIRE SAFETY WEEK

June 26 - July 3, 2023

National Tire Safety Week (NTSW) is an annual initiative of the US Tire Manufacturers Association (USTMA) that aims to educate motorists about simple yet essential steps for proper tire care, safety, and maintenance as an essential part of road safety.



Americans drove more than 3.169 trillion miles in 2022, an increase of more than 29 billion miles compared to 2021, according to the Federal Highway Administration.

USTMA recommends drivers check their tire pressure monthly, regularly check their tire tread depth, and ensure their tires are rotated and properly aligned. With routine maintenance by a tire service professional, tires can maintain optimum performance and service life.

Help raise awareness on social media for National Tire Safety Week! Below are hashtags, sample Twitter, LinkedIn, and Facebook posts, and graphics you can share with your audiences.

- [2023 NTSW Toolkit](#)
- [National Tire Safety Week Factsheet](#)



Keep Reading

CAPITOL CORNER

- Tuesday Or Wednesday Planned For Final Budget Action
- Return Of The 'Death Star' Debate In House
- Grand New Party Director Wants Hall Out As Leader
- Hoekstra And Locals Working To Stop Gotion, Ford Plants
- Seas Parting For Hertel Congressional Bid

MEMBER NEWS

Vic George Named Grand Marshal for Back to the Bricks Cruise in Flint

Back to the Bricks® is excited to announce Victor E. George II as the official grand marshal for the 19th Annual Back to the Bricks Car Show & Cruise.



George, former owner of Victor George Oldsmobile, was selected from a field of hundreds of deserving candidates by the Back to the Bricks® Executive Committee. He and his family have a long legacy in the area as car dealers (four generations) and they have an extensive automotive past which took place in Genesee County. George is also a veteran of the United States Army and a longtime Rotarian.

Keep Reading

Dave Kring Honored for His Support of ATHENA Leadership Award

The ATHENA Award recognizes an individual who supports and encourages the potential of all women as

valued members and leaders of the community. **Dave Krings Chevrolet in Petoskey** has proudly sponsored this community award since 1992.

For his many years of support, Mr. Krings was honored at a surprise event last week. Some 19 past ATHENA Leadership recipients attended and helped surprise him at the Petoskey-Bay View Country Club.

Not only has Mr. Krings sponsored the Athena Award for 31 years, but he continues to be a great partner to the community. Dave and his dealership team give generously to the local college and other educational programs, the food bank and many community groups.



[Read More](#)

32nd annual **MADPAC GOLF OUTING**

When Tuesday, September 12, 2023

Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

We thank the following companies for signing up to sponsor our golf outing:

Lunch - [Merchants Bonding Co.](#) | Awards Reception - [CVR](#)

Beverage Cart - [700Credit](#) | Scoreboard - [Enterprise Rent A Car](#)

Player Carts - [Fenner, Melstrom & Dooling, PLC](#)

Prize Presentation - [Newtech Dealer Services](#) | Hole-in-One - [CAPTRUST](#)

Prize Holes - [Dealers Resources Inc.](#) & [Dawda Mann](#)

AROUND THE WEB



Q&A with ACV's Randy Barone: How to perfect your dealership's wholesale strategy



Nissan mechanics sue, claim wage violations

WKMG Orlando | Mechanics for Nissan dealerships in Central Florida have come together to file a collective action lawsuit against their

CBT News | In today's dynamic wholesale market, dealers are challenged with navigating historically high used car prices and fluctuating inventory within a digital environment. To stay competitive, dealers must prioritize effective inventory management and strategic sourcing. Gone are the days of placing any vehicle on the lot.

[Read More](#)

employers for failing to pay minimum wage or overtime hours. The lawsuit claims these dealerships were following a policy set by Nissan North America where they paid its mechanics on a "flat-rate basis," rather than hourly or salaried wage. There are potentially more suits like these in various states.

[Read More](#)



EDUCATIONAL OPPORTUNITIES

NADA Academy (July) [Digital Marketing Bootcamp](#)

Dealers Resources Inc (Jul. 18-19) [The Digital Road to a Sale](#)

NADA Academy (Sept., at NADA) [Dealership Buy, Sell or Hold](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



With over 11,000 approved submissions for 6,000+ dealers in 50 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.

[Website](#)



Serving Michigan dealerships for more than 75 years, Lewis & Knopf CPAs, P.C. offers accounting, assurance, and business consulting services.

[Website](#)



Supporting Michigan's franchised dealers for more than 100 years!

MADA Fast Facts



June 30, 2023

Vol. 25 | Issue 26

[View as Webpage](#)

TODAY IS THE DAY

All Installment Seller License Renewals Must Be Submitted

The Michigan Department of Insurance and Financial Services (DIFS) sends their thanks to the hundreds of MADA dealers and staff who helped make this installment seller renewal cycle move (mostly!) smoothly. June 30 is the absolute deadline to have all renewal paperwork submitted.

- License look up: <https://difs.state.mi.us/locators?searchtype=ConsumerFinance>

MADA heard from a handful of dealers who experienced some "hiccups" in the renewal process. We are always happy to walk our members through challenges that pop up during renewal times. **Following are just a few of the ways we helped our members this spring:**

- Communicate with the state on behalf of the dealer when the renewal paperwork was not received and needed to be resent.
- Provide guidance on properly completing the annual activity report.
- Correct license information when renewal paperwork was tagged by DIFS as incomplete due to inconsistent officers or business name.
- As the end of the month got close, MADA personally contacted 100+ dealerships that were still in non-renewal status.
- Some dealers had submitted paperwork and didn't realize the renewal was in a hold status due to missing information!

Please remember that MADA is available to help with all your dealer licensing requirements. We also ask that you [keep us updated with your preferred contact for licensing information](#) so we have the best name and email should we hear from the state about a licensing complication. You may update us at any time by emailing mbrenke@michiganada.org (please include dealership name and license number).

[Learn More](#)

*Contact MADA for details
on dealer bonds*

For 90 years, Merchants Bonding Company has provided first-class service and a common sense underwriting approach. MADA has developed a partnership with Merchants to underwrite uniform vehicle dealer surety bonds for MADA members. Merchants has a strong history in bonding and is a company we trust to support Michigan dealers.

SAFEGUARD RULE COMPLIANCE

Added Benefit for Dealers Using ComplyAuto



We are pleased to announce that in collaboration with ComplyAuto, participating dealers now have access to a new end-to-end encryption tool, ComplyCrypt.

ComplyAuto has worked to create a solution to the pervasive issue of salespeople requesting customers to send non-public information over text messages and other insecure methods back to salespeople at the dealership. **You no longer have to worry about salespeople requesting and storing sensitive customer information on their personal devices!** Whether you're managing service loaners, rentals, or even internal communications, this tool is designed to secure all your requests for nonpublic personal information from your customers, easily satisfying the FTC Safeguards Rule of encryption in-transit requirements.

ComplyCrypt is free for all MADA members who use ComplyAuto for their Safeguards Rule compliance goals! MADA was able to leverage our relationship with ComplyAuto to provide this to our members at no additional cost, unlike other vendors which charge hundreds of dollars a month or more.

To learn more about ComplyCrypt and see it in action, you are invited to attend an upcoming ComplyAuto webinar: **Solutions to secure NPI in transit using End-to-End Encryption**

- When: July 11, 2023 | 11:00 am EST [REGISTER](#)
- When: Jul 13, 2023 | 5:00 pm EST [REGISTER](#)

HR STAFF...STAY TUNED

Michigan Supreme Court Agrees to Hear Minimum Wage, Paid Sick Leave Case

The Michigan Supreme Court (MSC) has agreed to hear an appeal in a case that could potentially bring about major changes to the state's minimum wage and paid sick leave laws. The plaintiffs have urged the MSC to overturn a Court of Appeals (COA) decision from January 2023. At issue is whether the Legislature's "adopt-

and-amend strategy" in 2018 was unconstitutional.

One of the proposals passed by voters, then significantly amended by the Legislature, sought to raise the minimum wage to \$13 per hour by 2023, with an increase in tipped wages to match the full minimum wage. The other proposal aimed to implement a comprehensive paid sick leave law, which would have required significant adjustments to paid time off policies and procedures for nearly every business in the state.

Briefs for the case are expected to be submitted to the MSC by early October, followed by oral arguments. However, the timeline for the court's decision is still uncertain. The future of these laws now lies in the hands of the Michigan Supreme Court. Its ruling on this case could have significant implications for the state's minimum wage and paid sick leave policies.

What does this mean for business today?

At this time, it is business as usual for dealers. This is just another step in the judicial process, and as we know, the process takes time. MADA and ADM will keep members updated on this issue, but for now, the minimum wage and sick leave rules remain the same.

FREE COMPLIANCE CONSULTATION

2023 Take A Stand for Workplace Safety and Health

MIOSHA's Consultation Education and Training (CET) Division offers free, statewide safety and health assistance to employers and employees. Across the state on **August 7-11, 2023**, MIOSHA is partnering with employers to "Take a Stand" for workplace safety and health.

For this 19th annual Take a Stand Day, MIOSHA is dedicating its professional staff to visit Michigan high-hazard industries targeted by the MIOSHA Strategic Plan. MIOSHA safety and health professionals - including compliance staff, outreach consultants, managers, and supervisors, will be scheduled to provide a day of one-on-one consultations. **There will be NO citations or fines for participating workplaces.** However, participants must agree to correct all serious conditions. This is a great opportunity to receive a professional review of your facility to determine if there are opportunities to improve health and safety. [Register to participate here.](#)



CAPITOL CORNER

We have a short break from Capitol Corner articles. For an update on Michigan legislative issues affecting new car and truck dealers, you are welcome to read Kurt Berryman's [spring ADM update](#).

Sparrow Health Receives Gifts to Support Cancer Patients

Williams Subaru in Lansing is donating gifts to cancer patients at the Sparrow Herbert-Herman Cancer Center to let them know they are cared for and loved. The dealership donated 80 blankets and care kits to local cancer patients. The dealership and the Leukemia and Lymphoma Society are also giving those patients messages of hope that were written by Subaru customers and employees.



Dealership owner Jeff Williams said it was all about giving back to the community who has given a lot to them. “We hope that these gifts give them a little confidence and show them that they are not alone and that there are people who care and support them,” Williams said. This is the eighth year in a row that Williams Subaru has worked with Sparrow Health to donate care items to cancer patients.

Keep Reading

32nd annual
MADPAC GOLF OUTING

When Tuesday, September 12, 2023
Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

ACV Returns with the Cigar Tent!

MADPAC golf outing regulars will be pleased to hear that ACV will again join us at the MADPAC golf outing on September 12, with a variety of complimentary cigars and goodies. We hope to see you there! [Click here](#) for event information and registration.

AROUND THE WEB



Major Staff Changes at ASE



EV Consideration at Record High, but Dealers Feel Unprepared

NADA | ASE President and CEO Tim Zilke and Senior Vice President of Communications Trish Serratore have announced their plans to retire on Dec. 31, 2023.

ASE has also introduced various levels of credentials supporting a changing workforce.

[Read More](#)

Cox Automotive | Despite growing interest, a gap exists between consumer enthusiasm for electric vehicles (EVs) and their actual purchasing decisions, according to new research released today by Cox Automotive. The **2023 Path to EV Adoption: Consumer and Dealer Perspectives** study also reveals a lack of EV readiness among U.S. automotive dealers regarding sales and service. As EV inventories continue to climb, dealers must bridge this gap.

[Read More](#)

NADA ACADEMY CLASS STARTS JULY 11
Tuesdays/Thursdays | 10:30am-1:45pm ET   



EDUCATIONAL OPPORTUNITIES

NADA Academy (July) [Digital Marketing Bootcamp](#)

NADA Academy (Sept., at NADA) [Dealership Buy, Sell or Hold](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



The Ralph C. Wilson Agency is a full-service risk management consulting firm and insurance agency. We offer customized solutions for clients ranging from individuals to large employers. Our team of experts can help you with all aspects of risk management.

[Website](#)



Rehmann has provided one-on-one financial services to businesses throughout Michigan since 1941. Offering a specialized team of business consultants, corporate investigators, tax service providers & dealership CFOs who understand the unique needs of auto dealers.

[Website](#)



Supporting Michigan's franchised dealers for more than 100 years!

MADA Fast Facts



July 7, 2023

Vol. 25 | Issue 28

[View as Webpage](#)

NEWS FROM NADA

Subprime Acquisition Fees

An important compliance issue under the federal Truth In Lending Act is whether a dealer can recover from a consumer a fee that a finance source has charged the dealer for taking assignment of a credit contract and, if so, how that fee must be disclosed to the consumer. This consideration, which often arises when extending credit to consumers with subprime credit scores, is addressed in a memorandum from the Hudson Cook Law Firm.



Dealers who assign credit contracts to finance sources that charge a subprime acquisition fee are encouraged to review this [memorandum](#) with their legal counsel.

Endorsements and Testimonials

The Federal Trade Commission recently announced revisions to its "[Guides Concerning Use of Endorsements and Testimonials in Advertising](#)," ("Endorsement Guides").

Why it matters?: The revisions include several changes that according to the FTC "merit your attention," such as:

1. Guidance regarding not procuring, suppressing, organizing, upvoting, downvoting or editing consumer reviews in ways that likely distort what consumers really think of a product;
2. Addressing incentivized reviews, reviews by employees and fake negative reviews by competitor;
3. Updating the definition of "endorsements" to clarify that it can include fake reviews, virtual influencers and social media tags; and
4. Providing a clearer explanation of the potential liability that advertisers, endorsers and intermediaries face for violating the law.

The FTC has brought a number of enforcement actions in recent years against a

variety of companies related to alleged deception in the use of endorsements and customer reviews. This is a fast-moving area that is of increasing focus to the FTC.

Background: The Endorsement Guides provide detailed guidance regarding how an advertiser can (or cannot) use endorsements, testimonials and customer reviews in advertising – including on websites and elsewhere.

What's next?: Dealers should review these changes with legal counsel, website providers and advertising professionals to ensure compliance with the FTC guidance regarding the use of endorsements, testimonials or consumer reviews.

Further resources: In addition, the FTC has issued [updated Staff Guidance](#) on the Endorsement Guides, with “answer[s to] more than 40 more questions, as well as examples and other guidance.”



MADA Preferred Partner

[Learn More](#)

NEWSLETTER SPONSOR

For over 30 years CVR has been providing dealerships with fast, secure certified electronic titling and registration. CVR is the exclusive electronic vehicle registration partner of the Michigan Automobile Dealers Association (MADA).

Contact CVR sales to find out how CVR can make a difference in your business.

Phone 800.386.1746 | [CVR Sales](#) | [CVR Support](#)

JULY 11 IS Q3 CVR COUNT DAY

Submit Count Before Processing New Transactions

Dealers are reminded that they will not be able to process any new CVR transactions until the CVR count is submitted. Dealers who do not submit the required information in a timely manner 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 please contact your CVR account representative or call CVR Support at (800) 333-6995.

Future CVR Count Day: Q4 Oct. 10

COMING IN SEPTEMBER

Preparation for Online Dealer License Renewals

Dealers are reminded that the Michigan Department of State

(MDOS) will require all licensees to renew their dealer license and plates online this fall. Renewal by mail is no longer an option. Please make sure your dealership is ready for the online transition. Following are a couple early items for your checklist.



Who has Account Manager access?

The assigned account manager is the only person at the dealership who has access to the license renewal portal within CARS e-Services account. This is also the person who will receive the email with details to renew the license. We encourage dealers to ensure the account manager contact name and email address are current.

Dealers bonded through MADA's DIA

Recent legislation increased the required uniform vehicle dealer surety bond amount to \$25,000. MADA is in communication with MDOS and Merchants Bonding Company to ensure those dealers bonded through DIA have the proper \$25,000 bond value and paperwork in place for license renewal. Additional information will be mailed this summer.

Dealers NOT bonded through MADA's DIA

Before MDOS will renew a dealer license, the dealer must provide proof of a uniform vehicle dealer surety bond in the amount of \$25,000. Please confirm your bond is at the proper value prior to renewal. *(If you have not already transitioned to the increased \$25,000 surety bond, MADA would be happy to assist your dealership in becoming compliant with the new regulation.)*

If you have questions about renewals, account manager access or getting bonded at the \$25,000 level, please contact Michelle Brenke at mbrenke@michiganada.org.

NEWS FROM ATD

ATD Urges Congress to Reject So-Called “Right to Repair” Legislation

The ATD Board of Line Representatives, joined by three OEMs, sent a letter to House Energy and Commerce Chair Cathy McMorris Rodgers (R-Wash.) and Ranking Member Frank Pallone (D-N.J.) urging the Committee to reject H.R. 906, so-called “right to repair” legislation.



Although H.R. 906 is being advertised as providing “consumer choice,” it is fatally flawed because it treats heavy-duty trucks the same as light-duty vehicles, and fails to acknowledge the vast differences between commercial and retail consumers, as explained in the June 16 letter.

[Click here](#) to read the full text of the letter. ATD urges its members to reach out to [your members of Congress](#) and urge them to not cosponsor H.R. 906 by sharing this [issue brief](#).



CAPITOL CORNER

We have a short break from Capitol Corner articles. For an update on Michigan legislative issues affecting new car and truck dealers, you are welcome to read Kurt Berryman's [spring ADM update](#).

MEMBER NEWS

New Training Opportunity for High-performing Fixed Operations Teams

Other than training by the manufacturer, do you have a training plan for technicians, advisors, and support staff? Zurich's all-new Fixed Operations Training has now launched, with an entirely new training experience – beyond the service advisor! This training program features all-access training to live, instructor-led, virtual courses and on-demand training for service advisors, technicians, parts associates, BDC and valet (with more to come in 2024).

Zurich's training offers a variety of course options, pricing, and programs. There are options for monthly or annual all-access plans, individual team member or rooftop access, plus opportunities to enroll in position-specific certification programs to achieve specialized skill development. **The first live webinar starts on July 17: Keys to Communication.**

[Learn More](#)

32nd annual

MADPAC GOLF OUTING

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Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

AROUND THE WEB



FTC Action Leads to Industry Bans for Operators of 'Extended Vehicle Warranty' Scam

A Federal Trade Commission lawsuit against the operators of a telemarketing scam that called hundreds of thousands of consumers nationwide pitching “extended automobile warranties” will result in a lifetime ban from any outbound telemarketing business and from any involvement with extended automobile warranty sales.

[Read More](#)

Fisher
Phillips

Shared from
Fisher Phillips

Religious Accommodations: Your 6-Step Action Plan

Fisher Phillips | Employers now have a higher hurdle to clear when determining whether an employee's religious accommodation request would cause an undue burden on their business. A mail carrier argued that it was too easy for his employer to reject his request for Sundays off under a decades-old legal test that gave employers considerable leeway.

[Read More](#)



NADA ACADEMY  Night Class Starts July 12 **Apply today!** 
Wednesdays 6-9pm ET



EDUCATIONAL OPPORTUNITIES

ComplyAuto - Solutions to secure NPI in transit using End-to-End Encryption

- July 11, 2023 | 11:00 am EST [REGISTER](#)
- July 13, 2023 | 5:00 pm EST [REGISTER](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

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 Colombo & Colombo 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



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MADA Fast Facts



July 14, 2023

Vol. 25 | Issue 29

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NADA MARKET BEAT

First Half of 2023 Hits High Note with June 2023 15.7 Million Unit SAAR



Strong new light-vehicle sales last month helped end the first half of the year on a high note. The June 2023 SAAR totaled 15.7 million units, an increase of 20.2% compared with the June 2022 SAAR. Raw sales volume in June 2023 was 1.37 million units, raising total sales volume for the first half of the year to 7.66 million units—up 13% compared with the first half of 2022. According to Wards intelligence, fleet sales were 18% of June 2023 volume, up from 16% in June 2022. Wards estimates that retail sales increased 7.6% year-over-year the first half of 2023, while fleet sales increased 45% over the same period.

Alternative fuel vehicles gained market share the first half of the year with sales of battery electric vehicles (BEVs), plug-in hybrids and hybrids comprising 15.4% of all new light vehicles sold. BEVs alone represented 6.9% of all new light-vehicle sales, up from 4.9% of sales the first half of 2022. Crossovers— at 46.6% of all new light-vehicles sold during the first half of the year—remained the most popular segment.

Improving new-vehicle availability helped drive the sales increases. New light-vehicle inventory on the ground and in-transit totaled 1.81 million units at the start of June 2023. We expect month-end inventory for June 2023 will increase slightly compared to the beginning of the month. Manufacturer incentive spending has increased incrementally as inventory has improved. According to J.D. Power, average incentive spending per unit is expected to total \$1,798 in June 2023, up only slightly compared with May 2023 but a significant 95.9% increase compared with June 2022. J.D. Power also notes that leasing discounts have improved in recent months. In June 2023 leasing should account for 21% of new-vehicle retail sales, an improvement from the low of 16% in September 2022 but still below the pre-pandemic lease penetration of 30% in June 2019.

After a pause at its June meeting, the Fed has signaled it will increase the Fed Funds Rate further in coming months. These higher rates will be a headwind for new-vehicle sales. But there is still pent-up demand from retail and fleet customers,

and high used-vehicle values will help consumers with their trade-in values. We expect new light-vehicle sales in the second half of the year to be similar to the first half. As a result, we have increased our overall 2023 forecast to 15.2 million units.

[Download the Full Report](#)



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Contact CVR Sales to find out how CVR can make a difference in your business.

Phone 800.386.1746 | [CVR Sales](#) | [CVR Support](#)

FREQUENTLY ASKED QUESTIONS

How Do I Request an Additional Copy of Our Dealer License?

If the dealer license is lost or damaged, a copy can be requested through the dealer's CARS e-Services account.

This task can only be done when logged in with Account Manager access.

Log into CARS as Account Manager >> click "More" next to the pertinent account >> select the "Request Duplicate License" option. (See image below.) The Michigan Department of State will receive the notice and will **mail** a copy to the dealer.



Dealer License

[Renew Dealer License](#)

[Request Duplicate License](#)

Review account details and submit an annual renewal of your Dealer License

Request a duplicate/replacement Dealer License

ELECTRONIC LIEN AND TITLE (ELT)

All Lending Sources Must Provide Dealers with Their LH# Before Oct. 1

Dealers are reminded that the Michigan Department of State has announced that, come October 1, 2023, the state's Electronic Lien and Title (ELT) program becomes **mandatory** for all financial institutions.

Many lending sources are already enrolled with the ELT program and have provided dealers with the required lienholder ID number (LH#). Once the lender has signed up to participate, this LH number must be noted on all applications for title.

(Titles for vehicles financed with a participating lienholder will be electronically held until the lien is paid off.)

It is the responsibility of the financial institution to enroll in the ELT program. If a financial institution is not signed up by October (does not have a LH#), title applications presented to the Secretary of State's office will be rejected.

MDOS provided [this letter](#) to licensed financial institutions in May 2023, with an explanation of the requirements and enrollment process.

If a dealer has questions or concerns regarding a lender, you are welcome to reach out to James Fackler at jfackler@michiganada.org or (800) 292-1923.

The state understands the transition to electronic titles has caused some confusion and complication in the short term. However, once fully implemented, this change will improve processing and hinder fraudulent title scams. MDOS appreciates your support as they fully implement this new system.

JUST FOR FUN

8 Iconic Michigan Ice Cream Parlors to Visit

In recognition of National Ice Cream Day this Sunday, July 16th, [Blue Cross Blue Shield of Michigan](#) has shared an article on some of the can't-miss ice cream stops around the state. Enjoy!



What's better than a cold ice cream cone on a hot summer day in Michigan? This, of course, is a rhetorical question. There are more than a few iconic ice cream spots that Michigan families flock to each summer.

These shops have enjoyed sustained success for their quality and service. From Moomers Home Made Ice Cream in Traverse City to The Parlour of Jackson, how many of these eight have you visited, and how many more would you like to check out?

[Keep Reading](#)



CAPITOL CORNER

We have a short break from Capitol Corner articles. For an update on Michigan legislative issues affecting new car and truck dealers, you are welcome to read Kurt Berryman's [spring ADM update](#).

MEMBER NEWS

Automotive News | 40 Under 40

The 12th 40 Under 40 class recognizes a group of talented leaders who are stars in automotive retail. This year's honorees have led initiatives aimed at trimming expenses and employee turnover, boosting new- and used-vehicle sales and expanding service and parts operations. They have adopted digital retail technology and aided growth through dealership buy-sell transactions. We congratulate these young leaders and hope you enjoy reading about their accomplishments in the automotive retail industry.

Michigan Honorees:

- [Eric Frehsee](#), 38 – President - Tamaroff Group
- [Joe Jackson](#), 39 - General sales manager - Bowman Automotive Group
- [Parys Liddell](#), 31 - Finance manager - Avis Ford
- [Jason Olesnavage](#), 36 – Director - Fox Motors

Keep Reading

32nd annual
MADPAC GOLF OUTING

When Tuesday, September 12, 2023
Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

We thank the following companies for signing up to sponsor our golf outing!

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Coffee & Donuts - [Painters Supply & Equipment](#)

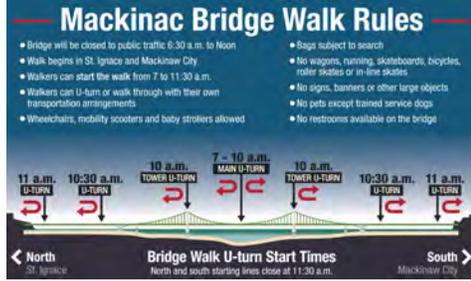
Prize Hole Sponsors - [Reynolds & Reynolds](#) | [JM&A Group](#) | [iAAWG Midwest](#)

Hole Sponsors - [Abbott Nicholson PC](#) | [Bank of America](#) | [UHY LLP](#)

AROUND THE WEB



How fast can the auto



Mackinac Bridge Walk

The annual Mackinac Bridge Walk (MBW) for 2023 is right around the corner! The bridge walk has been an annual event since 1958 (with the exception of 2020), making this the 65th event. 26,000 people participated in the 2022 event.

Travelers are reminded that the bridge will be closed to public traffic during the walk, from 6:30 a.m. to noon on Labor Day, Sept. 4.

[Read More](#)

Industry go electric? Debate rages as the U.S. sets new rules

NPR | For car policy wonks, the Environmental Protection Agency's proposed new vehicle standards are this summer's hot blockbuster.

Public comments on the EPA proposal closed on Wednesday, and the reviews have poured in. "Vital," says one environmental group. "Feasible," says the electric vehicle lobby. "Neither reasonable nor achievable," say traditional automakers.

[Read More](#)

Consumer Alert

FCA issues [Do Not Drive](#) for recalled 2003 Dodge Ram 1500s

QR Code Hijacking
AG Nessel [shares FBI warning](#) about malicious QR Codes, using stickers

EDUCATIONAL OPPORTUNITIES

Automotive News Congress (Sept. 12, Detroit)
[Navigating the future of electrification, infrastructure and sustainability](#)

Michigan Treasury (July) [Tax and Wage Webinar Series](#): unemployment, withholding and web services

HIGHLIGHTING OUR ASSOCIATE MEMBERS

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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 36 years.



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

MADA Fast Facts



July 21, 2023

Vol. 25 | Issue 30

[View as Webpage](#)

IMPORTANT REMINDER

New Distracted Driving Law Now in Effect

A new bill signed into law makes it illegal to manually use a cell phone or other mobile electronic device while operating a vehicle on Michigan roads. Under the law, a driver cannot hold or support a phone or other device with any part of their hands, arms, or shoulders.

Even if a cell phone or other device is mounted on your dashboard or connected to your vehicle's built-in system, you cannot use your hands to operate it beyond a single touch.

As a result, you cannot manually do any of the following on a cell phone or other electronic device while driving.

- Make or answer a telephone or video call.
- Send or read a text or email message.
- Watch, record, or send a video.
- Access, read, or post to social media.
- Browse or use the Internet.
- Enter information into GPS or a navigation system.

Can I use Bluetooth or my vehicle's built-in system?

You can use hands-free technology such as Bluetooth or integrated systems within the vehicle as long as you do not manually use the system. **Anything more than a single touch is against the law.**

The law makes holding or manually using a cell phone or other mobile electronic device while operating a vehicle a primary offense - which means an officer can stop and ticket drivers for this violation.

[Learn More](#)

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ALERT FROM MADSIF

Fraud Remedies, Comerica Bank Warning: A Heads-up and Suggested Remedies by MADSIF

MADSIF recently signed up for Payee Positive Pay, a step up from Positive Pay, with their bank. It allows MADSIF to "approve" or "reject" any item, BEFORE it goes through, not after a red flag is noticed. MADSIF noted that fictitious mobile deposits (about \$17,000) were made using simulated checks and signatures, plus out-of-sequence check numbers. Payee Positive Pay would have allowed them to reject these deposits. Rest assured that MADSIF has the highest level of security and purchases fraud and crime insurance. MADSIF members were not affected by this. MADSIF is sharing this advice with you to encourage you to work with your banks.

Comerica System Change ACH: MADSIF also noted that they recently received premium check payments, sent to the old company address, from members who typically pay via ACH. It appears that due to Comerica's recent system conversion, customers who have previously-set-up ACH transactions, are going out in check form and to outdated addresses. If you are a Comerica customer, be sure to go online and check your ACH transactions. *If you are a MADSIF member, be sure to update MADSIF's address to 250 Monroe Avenue, Suite 400, Grand Rapids, 49503.*

Finally, the U.S. Postal Service is [strongly recommending](#) that consumers "DON'T SEND CHECKS THROUGH THE MAIL." Where postal service salaries are dependent on postage, this speaks volumes.

If you have further questions please contact your MADSIF representative or email Jennifer Monkiewicz, MADSIF Fund Administrator at jmonkiewicz@madsif.com.

TIPS TO SPOT A SCAM

Fake Lienholder Release Scam

As we notified dealers in June, there is an organized group of individuals who are scamming the SOS and dealers with fraudulent documents. An individual visits a branch office and presents a very realistic, but fake, lienholder release for his vehicle. The scammer then receives a free and clear title. A few days later, the vehicle is brought to a dealership and offered for sale with a more-than-fair price.

If someone offers to sell you his vehicle off the street for an amazing price, the first thing you want to do is slow down the process and do your research.

While this scam was initially successful in a number of cases, as dealership staff become aware of it, the red flags become much easier to spot. **We have worked with MADA dealers who have developed procedures for internal teams to follow if this scam is suspected.** While this is not an exhaustive list, MADA is sharing these tips, which dealers around the state may find helpful.

Look for obvious red flags:

- The initial red flag is a **recent title** - it may have been issued just days ago. Check CARFAX - or there will be a printed date on the physical title itself.
- The **low offer price** is another red flag. The customer offers to sell the vehicle for a lower price than would be expected - and they are **in a hurry**.

If something seems off, research:

- Check the SOS site for liens: <https://dsvsesvc.sos.state.mi.us/TAP/#1>
- Go to the VEHICLE SEARCHES block >> select "search for liens and brands" >> enter the VIN. This public look up will show the date the title was issued and the lien status. (The result shown below is from an actual vehicle offered for sale. You can see that the title was just issued on 7/14/2023 - with no active lien.)

Title Issued: 7/14/2023

Lien Status: No Active Liens on Vehicle

- Review the CARFAX report to determine if there was previously a lien.
- Contact the lienholder directly to ask about the status of the lien. (In the above instance, the credit union confirmed there was still an active lien - despite the SOS lookup showing otherwise.)

Now that you have more information:

If the lienholder states the lien is still active, **ask the customer questions about the vehicle that should be simple to answer** or can be corroborated with the CARFAX report, such as:

- Did you have a previous lien? If so, what financial institution was it with?
- When did you pay off the lien?
- How long have you owned the car?
- Where did you buy it?
- Where do you normally get it serviced?
- What kind of maintenance have you done?
- What are you going to replace this vehicle with if we buy it from you?

The customer's reaction and ability to easily answer any of these questions could be an important red flag. Another questionable situation is someone coming in on Saturday or after hours and trying to rush the transaction to get "paid now" for the vehicle.

What to do if you suspect title fraud:

If suspicions arise due to the answers, the dealer may notify the customer there seems to be an issue with the information and/or title that requires the dealer to contact the State before processing the transaction. Dealers may call the investigations division of the SOS, the police or call MADA and we can attempt to reach the state.

As always, we appreciate the information our dealers share with us. **Please let us know if you have other processes or suggestions that have benefited you and your staff in spotting and avoiding fraudulent sales.** Vehicle fraud is a growing trend, and your processes may help another dealership team. Call MADA at (800) 292-1923 or email skniss@michiganada.org.

DETROIT AUTO SHOW

Tickets to the Public Show & Special Events Are Now Available Online



The [Detroit Auto Show](#) will return to Huntington Place September 13 - 24. Experience the world famous Detroit Auto Show, showcasing more than 20 attractions, events, and shows all about vehicles and the ever-growing technology behind them.

Technology Days | September 13 – 14, 9am – 7pm | [BUY TICKETS](#)

The **Mobility Global Forum** will be held concurrently with **Media and Technology Days** at the 2023 Detroit Auto Show. This executive two-day symposium will address the changing world of mobility and transportation and feature C-level keynotes from the world's leading OEM's.

Charity Preview | September 15, 5pm – 9pm | [BUY TICKETS](#)

Charity Preview has raised more than \$100 million for children's charities in Southeastern Michigan over the past 25 years alone. In total, the event has generated over \$123 million since its inception in 1976.

Public Show | September 16 – 24 | [BUY TICKETS](#)

The Detroit Auto Show will include a new indoor EV Experience that affords visitors the chance to immerse themselves in a wide range of electric vehicles. Sitting alongside a professional driver, show-goers will traverse through a serpentine track that includes an acceleration lane stretching more than 300 feet.



Keep Reading

- Whitmer Signs Record Breaking Education Budget With No Line Item Vetoes
- Voters Don't Like Trump, Biden . . . But Don't Like The Alternatives Either
- June State Unemployment Falls To Lowest Point In 23 Years
- Vehicle Miles Traveled Tax Stalls Along Budget Highway

MEMBER NEWS

Davison Community Hit With Major Hail Damage

Businesses and residents in Davison were hit with devastating hail on Thursday that significantly damaged homes, vehicles and property. At least three MADA members in the area are now assessing the aftermath and potential loss of hundreds of vehicles.



“The hailstorm started light and then it went crazy like I’ve never seen,” said Chris Graff, [Hank Graff Chevrolet](#). Between shattered windshields and dented hoods, every car on the lot was damaged. “It did a lot of damage. Every skylight in our dealership went out. Our air conditioning units are peppered. And then the cars,”

[Todd Wenzel Buick GMC](#) also suffered damage to every vehicle on the lot. Dealers are currently working with their insurers to assess the damage.

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Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



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[Register your foursome today!](#)

AROUND THE WEB





6 Insights into Auto Lending Fraud Trends

Point Predictive | Our annual report on the state of auto lending fraud has implications for dealers and lenders. Here are six key takeaways.
1. Point Predictive data indicates that up to 1 million new fraudsters became active in 2020, largely in response to COVID-era stimulus policies. As those stimulus programs ended, those same fraudsters pivoted toward auto financing fraud.

[Read More](#)

Surveying the landscape of Inflation Reduction Act tax credits

Plante Moran | The Inflation Reduction Act's primary focus is a collection of climate and energy incentives supporting domestic clean and renewable energy production. Here are some of the most important opportunities available via the tax credits and incentives.

[Read More](#)



PROFESSIONAL SERIES

Classes Available in September at the Illinois Auto Dealers Association

[REGISTER NOW](#)



NADA Show

registration opens July 31

SOS office at 37015 S. Gratiot in Clinton Twp closed for remodeling until July 31 [\(more\)](#)

EDUCATIONAL OPPORTUNITIES

NADA & ASE (Aug. 2) [Introduction to ASE xEV High-Voltage Electrical Safety Standards and Tests](#)

BCBS (Aug. 10) [Learn to Make a Conscious Choice to Respond Not React](#) - learn the difference between responding and reacting to difficult situations and conversations.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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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.



Key Bank provides deposit, lending, cash management and investment services to individuals and small and mid-sized 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,

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syndications and derivatives to middle market companies in selected industries throughout the United States.



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MADA Fast Facts



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NEWS FROM MDOS

Top Violations Issued Since Jan. 1, 2023

MDOS has shared the most common violations issued in 2023, following dealer and repair facility inspections. This is great information to pass along to your team as a reminder to ensure all appropriate staff are familiar with the expectations of your license agreement.

DEALER, top violations

1. Failure to properly complete an RD-108
2. Failure to make application for title and registration in purchaser's name within 15 or 21 days of vehicle delivery
3. An owner, officer, or designated individual failed to attend dealer training as required (note: dealer training is optional for A dealers; required for *standalone* B dealers.)

REPAIR FACILITY, top violations

1. Provided the customer with an improper invoice
2. Violated mechanic certification requirements
3. Failed to maintain records for a required period of time

MECHANIC, top violations

1. Performed, or inspected and approved, repair services without being properly certified
2. Failure to display mechanic certificate in a conspicuous location
3. Continued to function as a certified mechanic after certification expiration date

We remind dealers and staff that the MDOS *Dealer Manual* and *Repair Facility Manual* provide a thorough overview of the rules and processes required as a license holder with MDOS. A link to both guides is available within the [MADA website](#), under the "helpful SOS links" heading.

PROCEDURAL FAST FACT: quick tips to share with your team

A common oversight noted by MDOS...

Please remember to include the "C" number from the BFS-4 temporary registration on the bottom of the RD-108. This number may be handwritten.

<input type="checkbox"/> Gap or waiver	<input type="checkbox"/>
BFS-4 temporary registration number (this number may be handwritten)	
C	
Printed name of salesperson	

g: Do not sign a blank form
and registration or, if the lessee, applying for a registration. I certify that my driver's license is not



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LEGISLATION PASSED

Vehicles Purchased For Resale Are Exempt From Use Tax

Legislation signed into law by Governor Whitmer will maintain the exemption from the state's 6% use tax when a vehicle is purchased and held in inventory for resale.

The governor signed Senate Bill 326, which amends the Use Tax Act to reflect the Secretary of State's expected switch in October of 2023 to electronic titling when a lien is present. The legislation ensures vehicles remain tax exempt for dealers until ownership is actually transferred to a customer.

"Automobile sales are a key driving force in Michigan's economy and it's vitally important to that industry that we ensure tax fairness. Senate Bill 326 clarifies that when a motor vehicle is purchased for resale by a new vehicle dealer it is not considered a taxable event if the vehicle is not registered in the name of the dealer before the resale or lease," said state **Senator Sam Singh (D-East Lansing)**. "The bill received overwhelmingly bi-partisan support and allows for the longstanding tax policy for automobiles to continue as the Secretary of State transitions to electronic titling. During a time of shrinking automobile inventories this new law will help dealers maintain a healthy inventory for Michigan's auto buying consumers."

MADA and ADM thank Senator Singh for his support on this legislation.

FREQUENTLY ASKED QUESTIONS

How Do I Request an Additional Copy of Our Installment Seller License



We previously covered what to do in case your dealer license gets damaged or misplaced. This week, we are sharing information from DIFS to request a duplicate copy of your installment seller license.

Prepare a letter on company letterhead and include the following information:

- Company name
- Installment seller (IS) license number
- A brief explanation stating that your original license has been damaged or misplaced and that you are requesting a duplicate copy.

Enclose a check for \$10.00 made payable to the *State of Michigan* along with the letter. This fee covers the cost of processing the duplicate license request.

Send the letter and payment to the following address:

Office of Consumer Finance
ATTN: Sue McGhee
530 W Allegan St 7th Fl
Lansing, MI 48933

If you have any questions or need further assistance, you can reach out to MADA at (800) 292-1923.

REMINDERS FROM COMPLYAUTO

OSHA Actively Auditing Dealers for Heat Stress Rules & More

The safety and well-being of your dealership employees are paramount, especially amid rising temperatures and increased heat-related risks during these summer months. The Occupational Safety and Health Administration (OSHA) has taken note of these concerns and has recently intensified its focus on heat stress prevention at dealerships. In this article, we will delve into key topics surrounding OSHA's audits and how ComplyAuto Safety can be your ally in achieving compliance and safeguarding your workforce against scrutiny.

OSHA Visits: Stay Prepared!

OSHA has been actively conducting inspections at dealerships and it is essential to be aware that these visits are happening. Being well-prepared will ensure a smooth

process and demonstrate your commitment to maintaining a safe workplace. Some examples of workplace preparedness include:

- Hydration
- Rest and Shade
- Workload and Scheduling
- Training and Education
- Heat Illness Prevention Program

Even though OSHA's primary emphasis is on heat illness prevention, they may also scrutinize other areas that traditionally pose significant safety concerns while on-site.

ComplyAuto reminds MADA dealerships that participate with ComplyAuto that they may qualify for a free on-site inspection and software trial. ComplyAuto is offering this to identify potential areas for improvement for MADA dealer members. Additionally, they are providing a one-month free trial of their Safety software platform, empowering dealers to address safety requirements immediately. It is a limited-time offer for new ComplyAuto Safety clients and will be allocated on a first-come, first-served basis. If you would like more information, send an email to info@complyauto.com. For more information, you can visit complyauto.com/safety.

[More on OSHA Audits](#)



[Keep Reading](#)

CAPITOL CORNER

- Dem Leadership PACs Raise Nearly Twice As Much As GOP PACs
- Capitol Gun Detectors Coming After Labor Day
- Ballenger: D's Wasting Money On Ads Now
- Retailers Ride 'Mid-Summer Roller Coaster' In June; Confidence Up
- Michigan Working With Ontario On EVs

MEMBER NEWS

At Lasco Ford It's All In The Family

Carter Oprisiu is a 17-year-old entering his senior year of high school this fall. Carter already has enough college credits to put himself well past the average freshman enrollee. He is on a solid path to a rewarding career already.



Carter works with his dad Joe at Lasco Ford in a modified apprentice program in conjunction with his schooling. Talk to Carter for just a few minutes, and you quickly see this is an intelligent young man.

Like Dad, Carter wants to repair cars as his occupation. Most people do not realize the sophistication and complexity of today's automobiles. Working on them requires skill, dexterity, an understanding of electronics, and the aptitude to learn how computers control almost every function of the components that make it possible to drive the vehicle.

[Keep Reading](#)

32nd annual
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Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

[Register your foursome today!](#)

AROUND THE WEB



Photo of the Month: NADA is Calling for Your Best Team Photos!

NADA | In an effort to highlight the people behind our great industry's success and build a closer connection within our community, we are inviting all member companies to submit photographs of their dealership employees. But not just any photographs – we want to see your team standing proud in front of your dealership!

[Read More](#)



Market Update | July 2023

CAPTRUST | As we pass the midpoint of 2023, the market and economy are showing mixed signals about what might lie ahead. On one hand, the strong labor market, robust consumer spending, and a recent stock market rally—fueled by artificial intelligence enthusiasm—seem like reasons for optimism. On the other hand, liquidity is drying up, and market leadership has been confined to only the largest mega-cap companies. This economy and market have already shattered long-held patterns, and we expect more to come.

[Read More](#)

registration opens July 31

[Get a sneak peek today!](#)

NADA & ASE (Aug. 2) [Introduction to ASE xEV High-Voltage Electrical Safety Standards and Tests](#)

HIGHLIGHTING OUR 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.

[Website](#)



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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, 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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MADA Fast Facts



August 4, 2023

Vol. 25 | Issue 32

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BE PREPARED FOR RENEWALS

Account Manager Changes

Each dealership and repair facility can designate one account manager for their CARS e-Services online account. Only the account manager can make updates or changes to the account and complete the renewal process.

Dealers are reminded that license renewals **must** be submitted online this year. Paper renewals will not be accepted. **If you need to change your account manager, the Business Licensing Section (BLS) recommends this be done ahead of the renewal season** (which begins in September). This can be done by completing the [Dealer and Repair Facility Account Manager Change Request form](#).

If you have additional questions on account manager changes please contact MADA at (800) 292-1923.



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Sticker Price**

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NEWSLETTER SPONSOR

Your customer comes to you with a hefty discount from “the other guy.” You focus on value and reward of course. We invite you consider the same, with MADA’s workers compensation program, created by dealers in the 1990’s. MADSIF’s partner-based claims practice, dealer-specific training and surplus returns (28%) to our 260+ members turn our “best program in the industry” into an investment.

CYBERSECURITY BREACH

Dealers Must Notify DIFS in the Event of a Cybersecurity Incident or Breach

DIFS recently emailed the following notice to MVSFA licensees. We are sharing this

Cybersecurity continues to be a prevalent and increasingly important issue in the financial services sector. In previous communications, DIFS has highlighted the importance of institutions implementing the Safeguards Rule and having in place an adequate information security program and incident response plan. It is important institutions closely monitor and update their program and plan in the constantly evolving cybersecurity risk environment.

In the event of a cybersecurity incident or breach, it is also important that potentially impacted consumers and the institution's primary regulator are notified of the incident or breach. Accordingly, in addition to the consumer notification requirement under Section 12 of the Michigan Identity Theft Protection Act, MCL 445.72, in the event of a cybersecurity incident or breach, licensees and registrants under the ... Motor Vehicle Sales Finance Act (MVSFA) ... , effective immediately, are required to also submit a Notice of Cybersecurity Event to DIFS as soon as possible after suspecting and/or determining a cybersecurity event has occurred involving nonpublic information.

The required notice can be found on DIFS website [here](#).

Questions or inquiries regarding this notice may be sent to difs-fin-info@michigan.gov.

PROCEDURAL FAST FACT: *quick tips to share with your team*

Important reminder from MDOS...

When a lender signs up with the state's ELT program they are assigned a unique lienholder number (LH#), which they will provide to the dealer. Once the lender is assigned a number, the dealer is **required** to use this number in the vehicle purchase paperwork. The branch office will reject the transaction if the LH# is not included.

Secured interest:		Lien filing date:	
Street address:		Lien code ID:	
City, state, ZIP:			

NADA SHOW 2024

Register Early to Claim Your Preferred Hotel

Registration opened on Monday for the NADA Show 2024, February 1–4 in Las Vegas. Dealers are reminded that registration is required to book a hotel with the discounted NADA block rate.

NADA also reminds attendees to pay close attention to the schedule changes for

the NADA Show 2024 and plan accordingly when booking your travel arrangements.

NADA Main Stage

- Moved to 9am each morning to jumpstart your day.
- TIME Dealer of the Year award ceremony has moved to Saturday morning.

Expo Floor

- Now opens at 10am Friday!
- New event: "Cocktails and Connections" happy hour | Friday, 4-6pm
- More exclusive Expo hours per day, for extended face-to-face business connections.

Education sessions and Franchise meetings — to help reduce scheduling conflicts, these have been moved to the afternoon.

Women Driving Auto Retail — now an extended program on Thursday.

[REGISTER](#)

MEMBER NEWS

Transportation Safety and Compliance Seminar for Truck Fleet Professionals

Idealease of Detroit/Flint, a subsidiary of **Tri-County International Trucks**, is sponsoring a private truck fleet safety and compliance seminar on Tuesday, September 26 in Southfield. The one-day seminar will help private truck fleet professionals maintain a safe fleet, provide safety training to their managers, reduce violations and accidents, and satisfy annual Federal Motor Carrier Safety Administration (FMCSA) compliance requirements.

The seminar provides a simplified, step-by-step approach to help attendees understand how to comply with FMCSA regulations, manage commercial motor vehicle safety, and control liability exposures. Virtually all aspects of commercial truck operation are covered, including: FMCSA driver screening tools, driving qualifications, hours of service (drivers' daily logs), drug and alcohol testing rules, vehicle maintenance and inspection, accident recordkeeping and CSA.

[More Information](#)

In Memoriam: George Alan Fetsco

With sadness, we inform you of the passing of George Alan Fetsco on July 25, 2023 at the age of 79.



Mr. Fetsco developed an early affinity for hard work and salesmanship. At 12, he was voted “Best Paperboy” on his Detroit Newspaper delivery route and helped his father’s Borden milk truck make deliveries and manage accounts. After returning home following his service in the Navy, Mr. Fetsco began selling cars and obtained his very own dealership in 1973, now Rochester Hills Chrysler Jeep Dodge Ram, celebrating its 50th year in business. The business is currently managed by his son-in-law, Lincoln Phillip.

He is survived by his wife Cynthia of 56 years; daughters, Lara (Lincoln Phillip) and Catherine.

A memorial service will be held on Saturday, September 9, 2023 at 11:00am at Christ Church Cranbrook (470 Church Rd, Bloomfield Hills).

Obituary

32nd annual
MADPAC GOLF OUTING

When Tuesday, September 12, 2023
Where Hawk Hollow Golf Course
 15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

[Register your foursome today!](#)

AROUND THE WEB

Some Cars Cheaper to Fuel with Gas Than Electric in 2023

Anderson Economic Group has released fueling cost estimates for comparable internal combustion engine (ICE) vehicles and electric vehicles (EV) in the first half of 2023. AEG followed the rigorous methodology it developed for fueling cost studies that began in 2021. For 2023, we have updated gasoline and residential electricity prices, commercial charging prices, tax rates levied on fuel and EVs, fuel economy for popular models in each segment, and the allowance for



Survey: Young workers sour on auto industry jobs, in another blow to Michigan

Bridge Michigan | Many young adults in Michigan don't consider the auto industry a good career path and would leave the state for jobs they consider more innovative, according to a new survey. The survey, released Monday by MICHauto, part

travel to commercial charging stations.

[Read More](#)

of the Detroit Regional Chamber, shows that Michigan's dominant industry has lingering perception problems even as it undergoes a high-tech revolution to electric and autonomous vehicles

[Read More](#)

Atlanta SOS Branch

The SOS office at 12519 State St. in Atlanta will be **closed until further notice** due to structural damage caused by a storm. Business is rerouted to the office in Gaylord.

EDUCATIONAL OPPORTUNITIES

Zurich (Aug. 16) In this first-of-its-kind webinar, [Large Loss Lessons Learned](#), Zurich takes an in-depth look at actual large loss claims and offers actions you can take to avoid exposure at your dealership.

Upcoming **repair facility / mechanic training** from MDOS (register through your e-Services account):

- September 19 from 9 am to 11 am
- November 21 from 1 pm to 3 pm

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Resources Management Group is a finance & insurance income development training agency representing Portfolio Reinsurance.

[Website](#)



Federated Insurance® provides industry-specific insurance products and risk management resources. Local marketing representatives can help businesses create the insurance program that fits their needs.

[Website](#)



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MADA Fast Facts



August 11, 2023

Vol. 25 | Issue 33

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GOLF TO SUPPORT DEALER PRIORITIES

Swing into September with the MADPAC Golf Outing

Golf enthusiasts and casual players alike are invited to join Michigan dealers, coworkers and friends for the 32nd annual MADPAC golf outing in September!



Date: September 12, 2023

Tee Time: 10:00 am (check in opens at 8:30 am)

Location: Hawk Hollow Championship Golf Course, Bath Mich.

This event offers a fantastic day of golf on the award-winning Hawk Hollow Championship Golf Course. Not to mention great gifts for each golfer and an opportunity to network with fellow dealers across the state. Lunch will be provided during play, plus a post-golf dinner reception with prizes and awards for our top golfers! Many dealers will also walk away with special gifts, golf merchandise and equipment provided by generous sponsors.

Register online [here](#)

For inquiries, contact Tommi Starr at tstarr@michiganada.org

☎ Or call MADA (800) 292-1923

Whether you're a solo player looking to join a group or have a foursome ready to conquer the course, we can't wait to welcome you to an unforgettable day of golfing, networking, and camaraderie on September 12, 2023. See you on the greens!

MADSIF
MICHIGAN AUTO DEALERS SELF-INSURED FUND

*MADA Preferred
Partner*

NEWSLETTER SPONSOR

Your customer comes to you with a hefty discount from "the other guy." You focus on value and reward, of course. We invite you to consider the same, with MADA's workers compensation program, created by dealers in the

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1990s. MADSIF's partner-based claims practice, dealer-specific training and surplus returns (28%) to our 260+ members turn our "best program in the industry" into an investment.

NEW MDOS FORM

TR-13A Updates & Non-salvageable Major Component Parts

The Michigan Department of State has emailed the following notice to dealers with a Class C or Class R designation.

The Department updated the [Application for Salvage Vehicle Inspection form \(TR-13A\)](#). Effective immediately, the updated form must be used by every applicant requesting a Salvage Vehicle Inspection. If the previous version of the TR-13A form is used, the applicant must resubmit their Salvage Vehicle Inspection request on the updated form. Please note on Page 1, Part 3 of the TR-13A, it states "All non-salvageable major component parts listed on the salvage title must be replaced." If a non-salvageable major component part noted on the title has not been replaced, the Salvage Vehicle Inspector must fail or reject the inspection.

If you have any questions regarding the Salvage Vehicle Inspector program or processes, please contact Kelly Berroa at 517-335-1799.

PROCEDURAL FAST FACT: *quick tips to share with your team*

Dealers with multiple locations...

Please confirm that the dealer license number on the RD-108 signed by the customer matches the RD-108L that is oriented through CVR. The state is regularly seeing paperwork with a license number from a secondary dealership location incorrectly noted on the RD-108L.

RD-108	RD-108 L
County: _____ State: MI ZIP code: _____	City: _____
Dealer license number _____ Sales tax license number _____ Phone numt _____	Dealer License No. _____
Vehicle sold: <input type="checkbox"/> New <input type="checkbox"/> Used <input type="checkbox"/> Demo Trade-in <input type="checkbox"/> Yes	Odometer _____

NEWS FROM ATD

OSHA Expands Employee Injury and Illness Data Collection Requirements for Commercial Truck Dealers



What's new: The Occupational Safety and Health

Administration (OSHA) recently issued a revised rule expanding submission requirements for injury and illness data reported by employers.

Why it matters: Under the rule, which takes effect on Jan. 1, 2024, commercial truck dealerships with 100 or more employees at a single "establishment" (defined as "a single location where business is conducted or where services or industrial operations are performed") must:

- Electronically submit case-specific information from OSHA Form 300 Log (NEW), OSHA Form 301 Incident Report (NEW), and Form 300A-Summary of Work-Related Injuries and Illnesses to OSHA once a year
- Include their legal company name in electronic submissions from their injury and illness records

The requirements apply to establishments covered by Federal OSHA, as well as establishments covered by states with their own occupational safety and health programs (i.e., State Plans).

What's next: OSHA will begin accepting 2023 injury and illness data on Jan. 2, 2024; dealers must submit this data by March 2, 2024. This submission deadline is annual, and the March 2 deadline applies for submission of the previous year's injury and illness data. NADA will update members prior to all relevant deadlines.

Go deeper: OSHA will provide additional guidance on responsible organizations and compliance requirements. For more information, see [OSHA's website](#) and [OSHA's FAQ](#).



Keep Reading

CAPITOL CORNER

- What Happens To State Budgets If 4.05% Tax Rate Stays Put?
- July Revenue Slightly Over Projections, \$90M For Year
- Proposed Capitol Firearms Ban May Exempt Gun-Carrying Lawmakers
- There's Trump Fatigue In Michigan ... But It Doesn't Mean He Can't Win In '24

MEMBER NEWS

ComplyAuto Launches Encryption Tool for Dealers

ComplyAuto created a solution to the pervasive issue of salespeople requesting customers to

send non-public information (NPI) over text messages, emails, and other insecure methods. Not only is there an exposure to hacking by sending NPI over unencrypted avenues, this information is not in the dealership's control if the salesperson loses his/her phone, backs up their text messages and photos on a personal cloud-based server, or moves to a different dealership.



In an effort to prioritize affordability and accessibility, ComplyCrypt is free for existing clients in endorsing states (including Michigan).

[Learn More](#)

Ethical F&I Managers Conference in Las Vegas

The Ethical F&I Managers Board of Directors is pleased to announce the 2023 EFI Conference, September 19-20, in Las Vegas. Now in its fifth year, this will mark the first time the conference is being held in Las Vegas.

“It was in Las Vegas, after one of many industry events there, that we first conceived the idea of the EFI Conference, so we’re excited to be hosting it in Vegas this year,” said Tony Dupaquier, North American Training Director for **iA American Warranty Group** and EFI Conference Director.

This conference was developed to directly support F&I managers and others working in the dealership. The program is focused on benefiting retail F&I and offering best practices, insights, and techniques for those working in the F&I office today.

[Learn More](#)

32nd annual
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15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

[Register your foursome today!](#)

AROUND THE WEB



Retirement Plan Menu Design

CAPTRUST | Thoughtful investment menus can increase participation and have a positive impact on employees' income in retirement. As a plan sponsor, choosing which investments to offer is a critical part of designing the best possible retirement plan for your unique participant population. Here, learn key guidelines and best practices for designing—or redesigning—your retirement plan's investment lineup.

[Read More](#)



Michigan eyes miles-traveled charge for roads as EVs cut into fuel tax

Bridge Michigan | Michigan officials are exploring whether to replace gas taxes with “usage charges” as the auto industry’s shift to electric vehicles is expected to cut into tax revenues for road repairs. With fuel taxes projected to decline by hundreds of millions of dollars in coming years, the \$82 billion budget Gov. Gretchen Whitmer signed last week supports ongoing efforts to explore one possible alternative: charging motorists for each mile driven

[Read More](#)



PROFESSIONAL SERIES

Classes Available in September at the Illinois Auto Dealers Association

[REGISTER NOW](#)



SOS Brach Closings
SOS offices in Munising and Newberry will be **closed until Aug. 14** for remodeling projects

EDUCATIONAL OPPORTUNITIES

Idealease (Sept. 26, Southfield) **[FREE Transportation Safety and Compliance Seminar for Truck Fleet Professionals](#)** (Idealease of Detroit/Flint is a subsidiary of Tri-County International Trucks)

Upcoming **repair facility / mechanic training** from MDOS (register through your e-Services account):

- September 19 from 9 am to 11 am
- November 21 from 1 pm to 3 pm

HIGHLIGHTING OUR ASSOCIATE MEMBERS



The industry's most respected resource for automotive market data and reporting. Cross-Sell tracks new and used vehicle title/registration data in 30 states, providing comprehensive monthly reports that are custom-made for each dealership's unique market. Our powerful auto industry reports detail sales

MADA Fast Facts



August 18, 2023

Vol. 25 | Issue 34

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DEALER FINANCING

Certain Dealers Need an ELT Lienholder Account Number with MDOS

Does your dealership offer “buy here / pay here” financing? Do you hold vehicle sales contracts with customers as a regular course of business?

If so, you may be considered a financial institution within the state’s rules and you must get signed up with the Michigan Department of State’s ELT program prior to October 1, 2023. The dealer will be assigned a lienholder number (LH#) and must include this number on sales contracts when customers use your financing options.

Title applications submitted to the Secretary of State or through CVR without the proper ELT lienholder number will be rejected as of October 1, 2023.

MDOS previously provided this [informational and instructional document](#) for lenders that still need to get registered with the state’s ELT program. MDOS has also created a [walkthrough](#) for those who need to create a lienholder account within CARS e-Services.

If you have questions on this topic please contact James Fackler at (800) 292-1923 or email jfackler@michiganada.org.

NOTE: *dealers who offer occasional or temporary dealership financing due to denial of financing after vehicle delivery (TR-210 / TR-209 situations) will generally not be required to register as a lienholder with the state since these transactions are processed at an SOS branch office.*

At this time, registering as a lienholder is only required for dealers who offer in-house financing as a regular service to customers.

NEWSLETTER SPONSOR

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jmonkiewicz@madsif.com

Consider joining MADSIF for your upcoming workers compensation renewal! See how many have re-joined after leaving many years ago. We've welcomed over 25 dealers, either back into MADSIF, or in for the first time. We engaged with MADA members, listened, and educated. This has added a few hundred thousand dollars to that surplus pool, and planned to return to the members for good performance. Let's get the conversation started!

PARTS DEPARTMENT

Measuring Stock Order Performance

by Larry Edwards, Edwards & Associates Consulting, Inc.

Stock order performance measures how many parts you are selling off your parts department shelves versus how many parts you are selling from other companies' shelves.

This formula is a measurement of how efficiently your parts manager is utilizing the Parts Department Inventory Control Management System. Your Parts Inventory Management System, when properly configured, should manage the replenishment of parts sold as well as suggesting when it is time to phase in a new part number or phase out an old part number.

When analyzing Stock Order performance, you must take into consideration that from a financial investment viewpoint, your Parts Inventory Management System cannot afford to have every part that might be requested on your shelves, therefore, it is acceptable that the Manager has to add Special Orders and Emergency Orders to the system occasionally. Our Goal is that the computer system orders the parts at least 85% of the time and that the remaining 15% comes into your system as a special order, or emergency purchase.

The formula is: Stock Order Purchases (for one month) divided by Parts Cost of Sales (for the same month) = Percentage of Stock Order Purchases. The goal is 85%

Note: It is just as bad to have a high percentage of stock order purchases as it is to have a low percentage of stock order purchases. A high percentage of stock order purchases means that the Manager is not properly processing Special Orders and Emergency purchases, i.e., holding them and adding to the stock order. This will cause Unhappy Customers, low Technician Proficiency. Plus, it confuses your computerized stock replenishment calculations, thus resulting in excessive inventory investments.

Questions to ask if your percentages are off:

1. Are lost sales reported properly?

2. Are emergency purchases properly recorded?
3. Is anyone other than the Manager allowed to make emergency purchases?
4. Is your dealership's computerized parts inventory suggested stock order being utilized or is your manager relying solely on the manufacturer's suggested stock order?

Keep Reading

PROCEDURAL FAST FACT: *quick tips to share with your team*

Lost or Stolen Dealer Plates...

As we head into the dealer license renewal cycle in September, keep in mind that replacement plates should be requested through your CARS e-Services account. However, lost or stolen plates must first be reported to the local police department and a police report must be filed and submitted to MDOS with the replacement plate request.

Why do I need to file a police report? Stolen dealer plates have been illegally placed on vehicles used during criminal activities, and on occasion these activities also result in car accidents or other driving violations. Reporting a plate as stolen tags it in the police system so if that plate is later connected to a crime or accident, the dealer has some protection.

DRIVING YOUR SUCCESS®

Is the Entire Dealership Handling Recalls?

from Barrett Charapp Beaty, Esq.

If you are thinking there has been a lot of news articles on recalls lately, you are correct. In the last few weeks alone, the following recalls have been announced:

- GM issued a recall on 2013 model years for the Chevrolet Camaro, Sonic, and Volt, as well as, Buick Verano for a Takata air bag inflator defect;
- Ford recalled 870,000 2021-2023 F-150 pick up trucks for an issue with the electric parking brake, which can activate without warning and increases the risk of a crash;
- Hyundai and Kia issued a recall on over 91,000 vehicles, including 2023-2024 Hyundai Palisade, 2023 Hyundai Tucson, Sonata, Elantra, and Kona vehicles, 2023 Kia Soul and Sportage, for a risk of fire and told owners to park outside; and
- Chrysler issued a recall of almost 45,000 2022-2023 Jeep Wagoneer and Grand Wagoneer vehicles due to a compromised deployment of the SABIC, which reduces protections in the event of a crash and increases the risk of injury.

For years, dealers have dealt with recalls. It is critical that your dealership understands what is needed of it and to take the best precautions for it and its

customers when it comes to recalls. As a best practice, all of the departments of your dealership should be involved for recalls. To help your personnel understand the best practices for recalls, we attach an updated recall checklist on page 3 of this newsletter.

New Vehicle Department

Federal law prohibits you from delivering a new car subject to a recall unless the recall is repaired. Unfortunately, we still see new vehicles being delivered with open recalls to customers because the vehicle was not flagged as undeliverable in the dealership's system. Flagging new vehicles with open recalls is critical. As a best practice, every new vehicle should be checked for open recalls when it arrives at the dealership from the manufacturer and again before it is delivered to a customer.

Parts Department

Federal law also forbids sale and delivery of a part subject to a recall. Just like with the new car department, you must flag a recalled part as unsaleable

[Keep reading](#) for more guidance for your departments, plus a recall checklist.



[Read More](#)

CAPITOL CORNER

- UAW Strike Could Cause \$5B In Economic Losses; Peters Stand With Labor
- Biden, Trump, Whitmer Numbers Haven't Changed All Summer
- Unemployment Number Stays At 3.6%
- Lawmakers Exempted From Capitol Gun Ban
- Clerks Anxious Over Presidential Primary Uncertainty

MEMBER NEWS

Feldman Group Aims to Raise \$1.5m for Children's Programs

Feldman Automotive Group is again partnering with Mark Wahlberg and Corewell Health Foundation-Southeast Michigan to host the Feldman Automotive Children's Miracle Celebrity Invitational golf tournament.

All proceeds from the Aug. 28 event, featuring appearances by more than 50 national and local celebrities, will benefit Children's Miracle Network at Beaumont Children's and the Mark Wahlberg Youth Foundation, with a goal of raising \$1.5 million.

Feldman Automotive Group chairman/CEO Jay Feldman is part of the event committee playing an integral role in fundraising and coordinating celebrity appearances for the event at Detroit Golf Club.

[Read More](#)

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[Register your foursome today!](#)

AROUND THE WEB



Dealers Face a Double-Edged Financial Sword

WardsAuto | Affordability and inventory are up, but interest rates cut gross margins.

Some trends in auto finance are moving in the direction of better affordability. That includes modestly higher new-car incentives in an environment of better new-car availability. There are also declining used-car values, but high-interest rates keep monthly payments high.

[Read More](#)



Stellantis to launch platform in Michigan for dealers to get 70% cheaper service parts

The Detroit News | Starting in December, several Michigan dealers selling Chrysler, Dodge, Jeep and Ram vehicles will have greater access to parts up to 70% cheaper through a service Stellantis NV is launching in North America, an executive for the automaker said Tuesday. B-Parts is a part of Stellantis' circular economy division that focuses on reusing, remanufacturing, repairing and recycling parts to reduce costs, waste and carbon emissions.

[Read More](#)

EDUCATIONAL OPPORTUNITIES

Upcoming **repair facility / mechanic training from MDOS** (register through your e-Services account):

- September 19 from 9 am to 11 am
- November 21 from 1 pm to 3 pm

NADA Show Super Session (Feb. 4) [The Ultimate Tune-Up for Fixed Operations](#)
Four esteemed NADA Academy instructors tackle strategies to enhance parts

inventory management, increase technician proficiency and boost service success rates.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



CAPTRUST

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.

[Website](#)



Reynolds and Reynolds is one of the automotive industry's leading providers of software, services, and document solutions. We feature the industry's only Retail Management System that provides dealerships with a single system, built to work together. This single system allows dealerships to meet customers no matter where they are without sacrificing profitability, efficiency, and accuracy.

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MADA Fast Facts

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DADA/MADA DEALER WEBINAR

Repercussions of a UAW Strike on the Economy

Join MADA and DADA on Wednesday, August 30 for a webinar with Patrick Anderson and Dr.

Cristina Benton of Anderson Economic Group. They will provide professional insight on the potential scale of a UAW strike and its impact on consumers, manufacturers, dealers and the economy.



Anderson Economic Group recently released an [analysis](#) estimating that a strike on all three automakers by 143,000 United Auto Workers (UAW) members could result in a total economic loss of more than \$5 billion after 10 full days. This report has been covered by national media. MADA and DADA have asked Mr. Anderson to discuss this possible strike from a dealer's perspective, considering the economic conditions of today.

Webinar exclusively for MADA and DADA members

Wednesday, August 30, 2023 at 1:30 pm

Pre-registration is required >> [REGISTER](#)

About the Speakers:

Patrick L. Anderson founded Anderson Economic Group in 1996, and currently serves as the company's principal and chief executive officer. Anderson Economic Group is one of the most recognized boutique consulting firms in the United States, and has been a consultant for numerous states, universities, manufacturers and franchisees.

Dr. Cristina Benton is a senior consultant with Anderson Economic Group, directing the market & industry analysis practice area. Her background is in research and data analysis, community and economic development, and urban planning. While with AEG, Dr. Benton has worked on a number of auto dealership franchise projects as well as retail, industry, and market analyses.



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jmonkiewicz@madsif.com

NEWSLETTER SPONSOR

Consider joining MADSIF for your upcoming workers compensation renewal! See how many have re-joined after leaving many years ago. We've welcomed over 25 dealers, either back into MADSIF, or in for the first time. We engaged with MADA members, listened, and educated. This has added a few hundred thousand dollars to that surplus pool, and planned to return to the members for good performance. Let's get the conversation started!

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[CLICK to learn more](#)

NEWS FROM NADA

An Updated List of Vehicles that Qualify for IRS EV Purchase Tax Credit



Several electric, plug-in hybrid and fuel cell electric vehicles are eligible for a federal income tax credit starting with purchases this year (2023).

Since the latest rules governing EV purchase tax credits (30D) came into effect on April 18, 2023, the list of vehicles eligible for the purchase tax credit has changed. As of August 15, 2023, eight MY 2023 models qualify for the full \$7,500 credit, and eight MY 2023 models qualify for the \$3,750 credit. In addition, four MY 2024 models will also qualify.

To obtain the credit, consumers and dealers do not need to know the qualifying factors (including battery and mineral content and assembly location). The relevant information they do need includes: whether that vehicle qualifies for a tax credit (and if it receives the full \$7,500 or the half credit of \$3,750), the vehicle's MSRP and the consumer's modified adjusted gross income.

With dealer input, NADA is advocating for a VIN search program, so that they and consumers can easily verify which vehicles qualify.

MY 2023 models qualifying for the full \$7,500 credit:

MY 2023 models qualifying for \$3,750 credit:

- Cadillac Lyriq
- Chevrolet Bolt
- Chrysler Pacifica (PHEV)
- Ford F-150 Lightning
- Lincoln Aviator Grand Touring (PHEV)
- Tesla Model 3
- Tesla Model Y
- Volkswagen ID.4
- Ford E-Transit
- Ford Escape (PHEV)
- Mustang Mach-E
- Jeep Grand Cherokee (PHEV)
- Jeep Wrangler (PHEV)
- Lincoln Corsair Grand Touring (PHEV)
- Rivian R1S
- Rivian R1T

Additional models qualifying in 2024:

- BMW X5 (PHEV) (\$3,750)
- Chevrolet Blazer EV (\$7,500)
- Chevrolet Equinox EV (\$7,500)
- Chevrolet Silverado EV (\$7,500)

Keep Reading

PROCEDURAL FAST FACT: *quick tips to share with your team*

The Michigan Department of State (MDOS) is implementing the Electronic Lien and Title (ELT) process, which requires the electronic exchange of lien and title information with lienholders in lieu of a paper certificate of title.

Have all your lenders provided you with their [unique lienholder number?](#)

Each lender **must** provide the dealership with a lienholder number (LH#) prior to October 1. **If you do not already have this number**, MDOS encourages dealers to reach out to the financial institutions they utilize to ensure these institutions are taking the proper steps to get enrolled in the ELT program. (This will avoid title applications being rejected in October.)

If your lenders are unfamiliar with the new process, please contact MADA with the lender name/phone/email and we will request that MDOS follow up with the lender directly. Call MADA at (800) 292-1923 or email jfackler@michiganada.org.

NEW FORM I-9

New Form Released; Required Starting Nov. 1

The U.S. Citizenship and Immigration Services (USCIS) released a new [Form I-9, Employment Eligibility Verification](#) on August 1. This version contains changes to the form and instructions, including shortening the Form I-9 to one page and reducing the instructions to eight pages.

All U.S. employers must complete Form I-9 for citizens and noncitizens hired for employment in the U.S. It is used to verify the person's identity and employment authorization.

What Form I-9 versions may be used?

- Employers may begin using the new Form I-9.
- The Form I-9 dated 10/19/2019 may continue to be used through October 31, 2023. The version date can be found at the lower left corner of the form.

- Beginning November 1, 2023, only the new Form I-9 dated 08/01/23 may be used.

A summary of changes to the Form I-9 and instructions is available online.

[More Information](#)



CAPITOL CORNER

- An Early Look At Whitmer's Aug. 30 Speech
- Suit Filed To Keep Income Tax Rate At 4.05%
- Why Doesn't Michigan Expand The School Year?
- Business Leaders Confident About Economy; Dubious About Employment

[Read More](#)

MEMBER NEWS

Reaching an Entrepreneurial Milestone Rooted in Prestige

For automotive mogul Gregory Jackson, the long and winding road to success has been challenging but rewarding. As chairman, president, and CEO of **Prestige Automotive Group**, Jackson leads one of the nation's most prosperous auto sales conglomerations ever started, owned, and operated by an African American. The company will celebrate its 30th anniversary on August 31 with a guest appreciation event at Prestige Automotive Group's St. Clair Shores headquarters.

"We are really excited about our 30th anniversary," said Jackson in an exclusive interview with the Michigan Chronicle. "Owning a business for that long is significant in itself, but continually being profitable is remarkable. Over the years, thousands of staff members, managers, directors, vice presidents, and others have made valuable contributions to our growth and success. And we couldn't have reached this milestone without satisfied and loyal customers."

[Read More](#)

New Addition to the BCBS Portfolio

Blue Cross Blue Shield of Michigan has enhanced its innovative care management portfolio to include additional services, tiers and pricing options so employers can select features that best fit the needs of their workforce. Blue Cross Coordinated CareSM offers comprehensive, customized and holistic care management, and advocacy programs to simplify health care for members. The new programs expand access to



additional levels of service and are available to smaller-sized companies. All program tiers assist members in organizing and accessing medical, behavioral, pharmaceutical, and social services according to each member's unique needs.

Blue Cross Coordinated Care CoreSM serves as the foundation of the portfolio and delivers a holistic, member-centric approach to care management for those with complex and chronic health care needs. This is the base program tier given to all Blue Cross customers. Blue Cross Coordinated Care EnhancedSM is a new addition to the portfolio for 2024.

[Read More](#)

BCBS is a Preferred Partner of MADA, offering group rates to member dealerships. If you have questions about this member benefit please call MADA at (800) 292-1923 for more information.

AROUND THE WEB



Detroit Auto Show Announces New York Times Best-Selling Author Malcolm Gladwell as Featured Presenter

The Detroit Auto Show announced today that Malcolm Gladwell, top global thinker and author of six New York Times bestsellers, will be the featured speaker at the Detroit Auto Show's new Mobility Global Forum on Thursday, Sept. 14 at Huntington Place in Detroit. The Forum is a two-day event featuring powerful perspectives from thought leaders and CEOs in mobility, design and technology.

[Read More](#)



How to Spot 5 Red Flags That Appear on Most Synthetic Identities

Point Predictive | Synthetic fraudsters understand that with the right combination of some key identifiers, credit bureaus are not able to match them to a prior history. So, a brand new credit file is created with that brand new identity.

Let's take a look at what to look out for...#1 Red Flag – The Credit history is "thin file"

[Read More](#)

News from the SOS

New online service
[Accessible parking](#)

EDUCATIONAL OPPORTUNITIES

Plante Moran (Sept. 27) [Charging into an EV future](#) :
Key considerations, opportunities, and lessons

[placard](#) renewals now available online

Poll worker recruitment
[Poll workers](#) receive training and get paid!

learned from across the automotive value chain

700Credit (on demand) [Synthetic Fraud - Quantifying, Recognizing and Preventing Synthetic Fraud at Your Dealership](#): a deep dive on the risks of Synthetic ID in the auto industry.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

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.



[Website](#)

Thanks to iA American's exclusive, revolutionary 15-Minute F&I Turn™, dealerships can complete their F&I transactions in 15 minutes or less. Morally, ethically, and with greater customer satisfaction. Best of all, our dealer-partners currently employing The 15-Minute F&I Turn™ process are reporting significantly higher profits than before.



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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by VIN, Make, Model, Owner City, Owner ZIP, Dealer Seller Name, Dealer Seller ZIP and Lienholder (where allowed by state).



Website

Northwood University specializes in managerial and entrepreneurial education, preparing students for success in their careers and communities by promoting critical thinking skills, personal effectiveness, and the importance of ethics, freedom and responsibility. Many successful graduates of Northwood's Automotive Marketing and Management program have gone on to own or manage dealerships or excel in top automotive companies.



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



September 1, 2023
Vol. 25 | Issue 36

[View as Webpage](#)

WEBINAR RECAP

Repercussions of a Strike on the Economy



MADA and DADA thank the more than 100 dealers and staff who logged in for this week's member webinar, covering the potential economic impact of a UAW strike. We also briefly discussed EV sales trends, mass adoption challenges and future demand.

Mr. Patrick L. Anderson and Dr. Cristina Benton of Anderson Economic Group (AEG) provided attendees an overview of their recently published report, which analyzed the impact of a strike by 143,000 UAW members.

Dr. Benton offered a brief comparison of the 2019 strike and this potential 2023 strike, with references to sales counts, vehicle prices and inventory. Mr. Anderson followed up with a review of the impacts of a UAW strike on just one of the Big Three vs. all three manufacturers.

Manufacturers will obviously feel an immediate impact. Depending on the scale and length of a strike, Big Three dealers will face new inventory challenges -- and quality used vehicle inventory for domestic and international dealers alike may again be very difficult to access. At the end of the day, consumers will pay the price with more vehicle supply and demand issues.

More information from AEG

- [Automotive Dashboard](#) (assess key industry performance metrics over time, along with the impact of economic downturns and disruptions)
- [Analysis of a 10-day Strike Against the Big Three](#)

MADA and DADA thank Mr. Patrick L. Anderson and Dr. Cristina Benton for offering our dealers their time and expertise to discuss this important topic. If you have any questions please reach out to your association.



NEWSLETTER SPONSOR

R.J Roberts started his business in 1972 when he saw a need to deliver quality workwear and uniforms to the automotive industry. His children grew up in the business and watched it evolve from a small office in Detroit to a company that now supplies dealerships nationwide.

[More](#)

MADA is happy to partner with R.J. Roberts & Co. to provide MADPAC golfers with an excellent quality player gift.

32nd annual **MADPAC GOLF OUTING**

When Tuesday, September 12, 2023

Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)

NORTHWOOD UNIVERSITY

Celebrating the Work of Northwood University Students

This year celebrates the 60th anniversary of the Northwood University International Auto Show.

Leading up to the event, the university will be holding its annual Northwood University Auto Show Gala - with a rock-n-roll theme! This evening program is one of the most anticipated events of the year for Northwood alumni and friends. It's a fun-filled opportunity to gather, celebrate, raise funds, and reward the hard work of Northwood students.



Northwood University Auto Show Gala
Friday, October 6, 2023 | Midland Country Club

Funds raised through the Gala will support the Town and Campus Scholarship and the Alumni Legacy Scholarship, helping to ensure that generations to come can fulfill their dreams through a Northwood University education. In just 12 years, this event has raised more than \$1.2 million in scholarship funds for the University.

Visit the [Gala website](#) to learn more and sign up to attend or sponsor this program.

PROCEDURAL FAST FACT: *quick tips to share with your team*

School bus traffic laws...

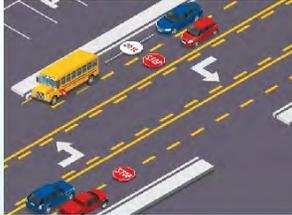
As students are returning to school, it's important for drivers to remember the rules when traveling near a school bus. When do you need to come to a complete stop? See the graphic below, or [read this notice from AAA](#). Learn more about bus safety from the [Office of Highway Safety Planning](#).

 **MICHIGAN: DO I NEED TO STOP?**

SCHOOL'S OPEN - DRIVE CAREFULLY



Two Lane
Vehicles traveling in both directions **MUST** stop.



Multi-lane paved across
Vehicles traveling in both directions **MUST** stop.



Divided Roadway
On a highway divided by a median, cars traveling in the opposite direction are not required to stop but should proceed with caution.

IMPORTANT DEALER REMINDERS

Coming in September: Dealer License Renewals and DIA Bond Renewals/Upgrades

2024 Dealer License Renewals

The Michigan Department of State (MDOS) will be **emailing** dealer license renewal paperwork to dealerships in mid-September. Renewals must be completed and submitted online through CARS e-Services this year. (Renewal by mail is no longer allowed.)

Please make sure you know who is **Account Manager** on your e-Services account -- only this person will receive the renewal email. Need to request an Account Manager change? Complete this [MDOS form](#).

\$25,000 Bond Requirement & Endorsements

Following a 2023 legislative update from the Secretary of State, dealers are also reminded that uniform vehicle dealer surety bonds must be increased from \$10,000 to \$25,000 whenever any **one or more** of these situations next happens:

- Dealer license expires and needs to be renewed
- Bond term expires and needs to be renewed
- Purchasing a new bond for any reason

MDOS will not renew a dealer license until the \$25,000 bond is in place.

MADA is in the process of mailing information to our DIA bondholders who must increase their bond to \$25,000. Once the bond upgrade and/or renewal is paid and processed, MADA will provide the dealer with a \$25,000 **bond endorsement**.

A copy of this \$25,000 bond endorsement must be uploaded to your e-Services account to maintain your dealer license. Please keep an eye out for this mailing from MADA/DIA. If you have questions, contact MADA at (800) 292-1923 or email lduby@michiganada.org.

NOTE: there are certain dealerships that will not be required to upgrade the bond value to \$25,000 this year. This may happen if the dealer purchased a multi-year term for both the bond and dealer license and both have an expiration date in 2024 or beyond.



[Read More](#)

CAPITOL CORNER

- Whitmer Lays Out What She Sees Is Next For Michigan
- Legislative Leaders Say They'll Work First, Then Adjourn
- MPSC Wants Utility Earnings Linked To Outage Frequency
- Paid Family Leave Bills Are Near The Front Of The Line
- Legislative Dems Looking Beyond Governor's Vision

MEMBER NEWS

Celebrating 30 years in Midland

Feeny Chrysler Dodge Jeep Ram owner Bob Feeny is grateful to the Midland area for supporting his business for the past 30 years. "We've always wanted to be a big part of the community because the community has been so good to us here," said Feeny, whose business at 7400 Eastman marked 30 years on July 28.



To celebrate, the dealership held its annual weeklong anniversary celebration. Each day, food from local restaurants and food trucks, many of which are also Feeny customers, was provided for the business's 88 employees.

Bob Feeny purchased the original Chrysler-Plymouth Dodge store in Midland on July 28, 1993 from Norris Schmidt. Seven years later, Feeny built a new, larger facility at its current location on Eastman.

[Read More](#)

AROUND THE WEB

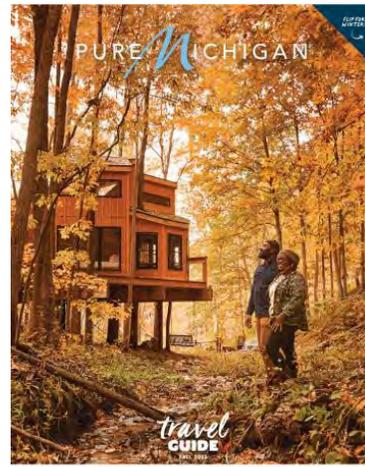


Electric Vehicle Charging Can Be Confusing. Here's What to Know.

New York Times | With a push from Congress, automakers and charging companies are planning to install tens of thousands of fast chargers on American highways capable of refueling electric cars in half an hour or less.

That's good news for anyone who owns an electric car or is thinking about buying one. But it's also confusing because of a debate about what kind of plugs those new chargers and cars will use now and in the future.

[Read More](#)



Pure Michigan Travel Guide

The 2023 Pure Michigan Fall/Winter Travel Guide highlights stunning sights to see, exciting places to go and fun activities to experience for visitors and residents alike all season long. The free travel guide is available in print and in a digital and universally accessible format, allowing you to access the guide from your desktop and mobile devices while on the go.

[Read More](#)

NADA Show 2024 Early Bird Savings

Register for the NADA Show by midnight ET on **Friday, Sept. 8**, to lock in a special [early bird rate](#).

EDUCATIONAL OPPORTUNITIES

NADA & Kerrigan Advisors (Sept. 27) [Buy/Sell Update: Where are Blue Sky Values Headed?](#)

700Credit (on demand) [Synthetic Fraud - Quantifying, Recognizing and Preventing Synthetic Fraud at Your Dealership](#): a deep dive on the risks of Synthetic ID in the auto industry.

HIGHLIGHTING OUR 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.

MADA Fast Facts



September 8, 2023

Vol. 25 | Issue 37

[View as Webpage](#)

REGISTERED GOLFERS

We Look Forward to Golfing with You Tuesday!

We are excited to see many dealers, staff and sponsors next week for our annual golf outing. Following are a few helpful reminders for those registered to golf.



Location: Hawk Hollow Golf Course ([course information](#))

15101 Chandler Rd, Bath Twp, MI

>> For those who may not have joined us recently - we are at Hawk Hollow this year (NOT Eagle Eye)

Player Substitutions: We understand player schedules sometimes change. If you have a player substitution please call MADA at (800) 292-1923. *We can handle last-minute substitutions at registration, as well.*

Agenda for Tuesday, Sept. 12

- **9:00 am** - Check-in desk opens; driving range is available
- **10:00 am** - Shotgun start
- **11:00 am** - Lunch will be available at the turn
- **After golf** - Dinner reception with gifts & prizes

>> Dealers are reminded that there is **no board meeting** before the program this year.

If you have any questions prior to the event you are welcome to call the MADA office or email dkorn@michiganada.org. We would be happy to provide additional information. We will see our registered golfers and sponsors soon!

32nd annual

MADPAC GOLF OUTING

When Tuesday, September 12, 2023

Where Hawk Hollow Golf Course
15101 Chandler Road | Bath, Mich.



Join us for a day of friendly competition & camaraderie on an award-winning golf course!

[CLICK to learn more](#)



MADA Preferred Partner

[Learn More](#)

NEWSLETTER SPONSOR

Blue Cross Blue Shield of Michigan -- offering 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 to learn how BCBS of Michigan can support your employees!

AI TECHNOLOGY

Ways AI Is Impacting the Automotive Industry

By 2030, 25% of miles driven in the U.S. could be in shared, self-driving electric cars.¹ Apart from driverless cars, vehicle manufacturers and dealerships are also maximizing the power of AI to sell, and market cars, improve customer experience and make business easier and more efficient.



This article highlights ways AI technology, such as IoT data analytics, machine learning, natural language processing, cloud computing, and big data is revolutionizing the automotive industry.

How AI Is Being Used Across the Automotive Industry...

AI in Automotive Manufacturing

As the automotive industry increasingly faces a stringent regulatory environment, vehicle manufacturers rely on AI technologies to improve the car-making process and meet compliance requirements. Today, AI systems can also collect and analyze visual data from sensors to identify defects in vehicle components and alert managers to prevent costly mishaps. AI-powered robots and automated systems are also used in assembly lines to perform repetitive tasks precisely and quickly. For example, AI-powered robots are employed to autonomously pick parts and perform welding and painting, minimizing human error and speeding up the entire manufacturing process.

Improved Safety

One of the leading benefits of AI in the vehicle industry is enhanced safety. Through AI, vehicle manufacturers can incorporate top-notch safety features into everyday driving. AI-based systems, such as autonomous emergency braking (AEB), adaptive cruise control (ACC), and lane departure warning (LDW), help alert drivers of potential dangers on the road.

Specifically, AEB is designed to prevent or mitigate collisions by automatically applying brakes when a potential crash is detected. It leverages a combination of sensors, cameras, and radar technology to monitor the road environment for potential hazards.

Similarly, LDW uses cameras and sensors to monitor vehicle position within the lane and provide timely alerts to drivers if it detects unintended lane departure. This way, the driver is empowered to prevent deadly crashes from happening.

Personalized Vehicles

As consumer preferences change, an increasing number of car buyers today prefer a vehicle that allows them to express their ideals, hobbies, values, and beliefs on the road. To ensure they meet their customer's need for a personalized vehicle and driving experience, some leading manufacturers tap into the capabilities of AI during the design of vehicles. For instance, Porsche uses its machine learning configuration system, called the "Recommendation Engine," to arrive at vehicle packages that meet individual driver preferences.

Keep reading this article from ACV for information about:

- AI in Automotive transport
- AI in Automotive service
- How AI Can Fuel Dealership Success

[Keep Reading](#)

PROCEDURAL FAST FACT: *quick tips to share with your team*

Dealer surety bonds are continuous when paid on time

Your surety bond does not have an expiration date, per se. When renewed and paid on time, the bond is continuous. However, if not paid before the term ends, the bonding company is required by state law to notify the Michigan Department of State (MDOS) that the bond has been terminated. The state will suspend a dealer license if a bond is terminated.

We also remind dealers that an active \$25,000 surety bond is now required prior to renewing a dealer license.

New Light-Vehicle Sales YTD Up 13.7% YOY

New light-vehicle sales in August increased year over year for the 12th straight month. The August 2023 SAAR of 15 million units was up 13.7% from August 2022. According to Wards Intelligence, fleet deliveries in August 2023

represented 15.1% of sales. Through the first eight months of the year, total new light-vehicle sales are up by 13.7% compared with the same period last year.



New light-vehicle inventory, which should increase compared with July 2023, is expected to total 1.9 million units at the end of August 2023. As inventory has improved, so has OEM incentive spending. Although average incentive spending per unit in August 2023 is expected to double compared with August 2022, it likely will be flat compared with July 2023 and total \$1,902, says J.D. Power. While incentives have not risen dramatically in recent months, there have been increases in leasing incentives. According to J.D. Power, leasing is expected to account for 20% of all new-vehicle sales in August 2023. Even with incentive spending trending higher, the growth in average monthly payments hasn't slowed because of a still relatively rich mix of vehicles available for sale as well as high interest rates on vehicle finance contracts. J.D. Power expects an average monthly payment of \$729 and average interest rate of 7.3% for a new-vehicle finance contract.

Keep Reading



CAPITOL CORNER

- Rogers Announces For U.S. Senate, Asked About Carpetbagger Label
- Brinks Talks Time Frame Agenda For Fall Session
- Whitmer Says Sayonara As She Heads To Japan
- MSU Labor Professor Talks Down \$5B Estimate

Read More

MEMBER NEWS

Tamaroff Celebrates 40 Years

Jason Tamaroff, vice president of Jeffrey Automotive Group/ Tamaroff Group and a third-generation dealer executive, discussed the dealer group's 40th anniversary and its origin with his grandfather Marvin Tamaroff, in an interview with WWJ Newsradio 950.



<https://www.facebook.com/TamaroffHonda/videos/1173215254068590/>

FMD Awarded Crain's 2023 Best Places to Work

MADA associate member Fenner, Melstrom & Dooling, PLC (FMD) was recently recognized by Crain's Detroit fare one of the *Best Places to Work*. Just as the company prioritizes top-notch service to clients, they are equally committed to fostering a culture of collaboration, growth, and positivity within the organization.

A few weeks ago, the staff of Fenner, Melstrom & Dooling, PLC (FMD) were not at their desks but outside on the sidewalk of their Birmingham office having a cornhole tournament. The spirited team-building event is indicative of how the firm — which provides traditional accounting and tax services as well as financial planning and consulting services — fosters a positive workplace culture built around collaboration and communication. FMD employees get together for trivia nights and themed movie nights, take their families on staff outings and attend ball games together.

Keep Reading

AROUND THE WEB



Shared from
Fisher Phillips

The Little-Known Reason Why An Employee's Job Performance Could Tank Their Exempt Status

Last week's news that the Labor Department is proposing a hefty increase to the weekly salary requirement to qualify employees for the overtime exemption has put the spotlight on how much you pay your employees - but that doesn't mean you can ignore the second part of the equation: the job duties test.

Read More



Bodies in Motion: Michigan's Auto Industry Then and Now - Hour Detroit Magazine

Hour Detroit | In the 19th century, Detroit's automakers fostered a can-do tradition. Now, a shift leads back to battery power and software-driven autonomous vehicles.

Ever since Charles Brady King sketched his "road carriage" in 1893, Detroit has led the world in automotive innovation. By day, King drudged away, drafting rolling stock at the Michigan Car Co. in Grand Trunk Junction. By night, he doodled and tested. In his road carriage, a steering wheel — quite a novelty! — stood upright on the left, before the seated driver. The mechanism was hard to perfect, though, and on King's journey of March 6, 1896, he guided a motorized delivery wagon called "Tootsie" by

[Read More](#)

NADA Show 2024 Early Bird Savings

Register for the NADA Show by midnight ET on **Friday, Sept. 8**, to lock in a special [early bird rate](#).

EDUCATIONAL OPPORTUNITIES

NADA & Kerrigan Advisors (Sept. 27) [Buy/Sell Update: Where are Blue Sky Values Headed?](#)

Automotive News & CDK (Sept. 27) [Survey Shows Consumers Are Confused About Electric Vehicles](#)

DETROIT AUTO SHOW

The **Detroit Auto Show** will return to Huntington Place September 13 - 24. Experience the world famous Detroit Auto Show, showcasing more than 20 attractions, events, and shows all about vehicles and the ever-growing technology behind them!

- Technology Days | September 13 – 14, 9am – 7pm | [BUY TICKETS](#)
- Charity Preview | September 15, 5pm – 9pm | [BUY TICKETS](#)
- Public Show | September 16 – 24 | [BUY TICKETS](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



With over 11,000 approved submissions for 6,000+ dealers in 50 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.

[Website](#)



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 solutions, we help put your vision into action.

[Website](#)



Supporting Michigan's franchised dealers for more than 100 years!

MADA Fast Facts



September 15, 2023
Vol. 25 | Issue 38

[View as Webpage](#)

MADPAC GOLF 2023

Thanks for Showing Your Support!

It was another fantastic year for MADPAC golf! We extend our gratitude to all the dealers and staff who joined us for this outing.

- View a list of [top teams and individuals](#)
- [Prize giveaways & sponsorships](#) from our event partners
- Scroll through [photos](#) from our event

We received incredible support from numerous sponsors who generously contributed to our golf outing. Their assistance in covering event expenses and providing gifts has been instrumental in the success of this annual gathering. When you have the opportunity, please acknowledge the sponsors below who showed their support, and consider establishing connections with these companies when assessing your vendor relationships.

EVENT SPONSORS

Platinum Sponsors

ARMATUS
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GCSI

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Blue Shield
Blue Care Network
of Michigan
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of the Blue Cross and Blue Shield Association

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a different opinion

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MICHIGAN AUTO DEALERS SELF-INSURED FUND

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700Credit
CREDIT COMPLIANCE SOLUTIONS

DAWDA MANN
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Colombo2
Colombo

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GROUP

ACV
AUCTIONS

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IAIA
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Silver
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UHY LLP
Certified Public Accountants

BANK OF AMERICA

BMO

Michigan
Retailers
Association

COX
AUTOMOTIVE™

Contact [Debbie Korn](#) if you have questions about
MADA partners and event sponsors!



MADA Preferred Partner

Learn More

NEWSLETTER SPONSOR

Blue Cross Blue Shield of Michigan -- offering 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 to learn how BCBS of Michigan can support your employees!

MDOT TALKING MICHIGAN TRANSPORTATION

Veteran automotive analyst talks EVs, labor negotiations and more

On this week's Talking Michigan Transportation podcast, a conversation with John Peracchio, a veteran strategic consultant in the intelligent transportation systems (ITS) sector and automotive industry.

Listen now: <https://www.buzzsprout.com/1374205/13593277-veteran-automotive-analyst-talks-evs-labor-negotiations-and-more>

Topics include:

- How concerns about what electric vehicles (EVs) mean to the future of work in the industry. [NPR](#)
- Analysts suggesting EV growth cannot be sustained. [Business Insider](#)
- Peracchio's [work with Feonix](#) on technology to provide mobility solutions to all.
- Movement on [legislation](#) to allow for high occupancy vehicle (HOV) lanes in Michigan. After being adopted in the state House in June, a Senate committee heard testimony on Sept. 12, with a vote in the Senate expected next week.

PROCEDURAL FAST FACT: *quick tips to share with your team*

An overview of your dealer & repair facility licensing requirements...

For a comprehensive list of compliance requirements, dealers should consult the dealer and repair facility manuals ([linked here](#)). However, for your convenience MDOS has created the following checklists that can be used for a quick reference of

items that will be reviewed during an MDOS inspection.

- [A/B vehicle dealer checklist](#)
- [Repair facility checklist](#)

JUST FOR FUN...

Michigan Bucket List: Michigan Cider Mills

As summer gives way to fall, it's time for a visit to a cider mill to enjoy apple picking, fresh-made apple cider and cinnamon donuts.



Michigan has a lot of cider mills, which isn't surprising considering that the state ranks third in the U.S. for apple production. More than **50 varieties of apples** are grown in the Mitten State, with Honeycrisp and Galas the most in demand. More than **14.9 million apple trees are in commercial production** in Michigan, covering **34,500 acres on 775 family-run farms**, according to the U.S. Department of Agriculture. This year, the state's apple industry expects to **harvest 32 million bushels of apples, or about 1.3 billion pounds**.

It's why finding a cider mill near you should be on your Michigan Bucket List this fall. Check out this list of [ciders mills around Michigan](#), shared by Blue Cross Blue Shields of Michigan.



[Read More](#)

CAPITOL CORNER

- Senate Dems Move 100% Clean Date To 2040 In New Proposal
- Rick Johnson Briber Sentenced To 28 Months In Prison
- Blue Cross Blue Shield Of Michigan CEO Announces Retirement
- Duggan, Young Push Tax Cuts for Homeowners, Tax Hikes for Speculators

Quote of the Week

"Goats are one the few animals you can't put with the solar panels because they'll eat it."

- Ashley STEFFEN, legislative liaison for the Department of Agriculture, testifying at today's Senate Energy Committee regarding legislation about putting solar panels on farmland.

MEMBER NEWS

Serra Automotive is Celebrating 50 Years

Recently, Jim Fitzpatrick with CBT News visited the Serra Automotive headquarters in Fenton to talk with President and CEO Matt Serra and Chairman Joe Serra, who are commemorating 50 years of the family business.

Serra Automotive is ranked number 12 overall on Automotive News' Top 150 Auto Groups Lists. However, it's the country's sixth-ranked privately held dealer group. Serra Automotive employs approximately 3,000 employees across seven states and manages a network of 54 dealerships, 66 automotive franchises, and 25 brands. However, this group's outstanding workplace culture and capacity to attract and retain the greatest individuals is the most astonishing. While many dealerships struggle in this area, Joe and Matt will tell you it makes all the difference.

[Keep Reading](#)

AROUND THE WEB



Lead Tomorrow: Start Succession Planning Today | UHY

UHY LLP | Executed correctly, succession planning ensures continuity and allows the company to retain its values, culture, and expertise. Once the decision is made to hand the company off to your successor, there are several steps to follow for a solid succession plan.

[Read More](#)



A Hail of a Solution: Weather Damage Leads to Renewable Energy Solution

NADA | Stapp Interstate Toyota in Longmont, Colo., experienced five hailstorms in 15 months. Their vehicles were damaged. Their insurance company was balking. Brion Stapp, dealer principal, wanted a long-term solution against the increasing frequency of dangerous hailstorms.

The dealership became the first dealership to combine protective hail canopies with solar panels, eliminating both their weather concerns and electric bill.

[Read More](#)

MADA Board Meeting
Sept. 20, 2023

Virtual only. All MADA dealers are invited to join the meeting.

EDUCATIONAL OPPORTUNITIES

Plante Moran (Sept. 27) [Charging into an EV future: Are you prepared?](#)

Dealers Resources Inc. (Oct 17-20) [Financial](#)

DETROIT AUTO SHOW

The **Detroit Auto Show** will return to Huntington Place September 13 - 24. Experience the world famous Detroit Auto Show, showcasing more than 20 attractions, events, and shows all about vehicles and the ever-growing technology behind them!

- **Charity Preview | September 15 | [BUY TICKETS](#)**
- **Public Show | September 16 – 24 | [BUY TICKETS](#)**

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

UHY works closely with your dealership as an active partner in your success. As your business advisor, UHY will help you navigate the twists and turns in your fast-paced industry, delivering the strategic solutions you need to gain a competitive advantage. UHY has a highly skilled team of dealership professionals.



Website

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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MADA Fast Facts



September 22, 2023

Vol. 25 | Issue 39

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TRANSFER OF EV CREDIT

Guidance Coming Soon for "Clean Vehicles" Placed in Service in 2024

Beginning in 2024, buyers will be able to transfer clean vehicle credits to dealers at the time of sale, and use the credit amount as a down payment at time of sale. **To participate, dealers will need to register with the IRS -- once the registration option becomes available.** (Dealers should look for details on this transfer of credit later in 2023.)

Sept. 8 Remarks by Assistant Secretary for Tax Policy, Lily Batchelder: Phase 2 of Implementation of the Inflation Reduction Act's Clean Energy Provisions

...we plan to issue further guidance on the suite of credits for clean vehicles, which will reduce the impact of gas price spikes on drivers. For example, starting in 2024, consumers can choose to transfer the new clean vehicle credit of up to \$7,500 and the previously-owned clean vehicle credit of up to \$4,000 to a car dealer. This will effectively lower the vehicle's purchase price by providing consumers with an upfront down payment on their vehicle at the point of sale equal to the full value of their credit, instead of having to wait to claim the credit on their tax return the next year. We will provide additional information on registration requirements and how the mechanics of this transfer will work for dealers and taxpayers. In addition, **in the next few months, dealers will be able to register via an online IRS portal. In January, registered dealers will be able to submit clean vehicle sales information to the IRS and promptly receive payment for transferred credits.**"

- [Complete remarks from Asst. Sec. Batchelder](#)
- [Automotive News article: Dealers will register soon for new, used EV tax credit transfers](#)

NEWSLETTER SPONSOR



Blue Cross Blue Shield of Michigan -- offering a complete line of group and individual health care plans as well as companion products such as prescription drugs, dental and vision and hearing.

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BOARD MEETING RECAP

Legal Update from Colombo & Colombo, P.C.

MADA thanks Eric Bowden with Colombo & Colombo, P.C. for joining us during this week's board meeting for a legal update and discussion of some issues and problems dealers are experiencing. We are sharing a few of his legal reminders, and encourage you to call MADA if you need further information.

Buy/Lease Vehicle with Credit Card

Dealers are reminded that they face a risk when allowing vehicles to be purchased/leased with a credit card - in full or in part. *Real life example:* customer purchased an as-is "beater" and was able to get AmEx to cancel the charge, after claiming it was a lemon. The dealership spent more on legal fees fighting the claim than the sales price of the vehicle.

Workplace Posters

A number of mandatory workplace posters were recently updated:

- [EEOC "Know your Rights" poster](#) updated to include the new protections under the Pregnant Workers Fairness Act.
- [DOL Employee Rights Under the Fair Labor Standards Act poster](#) updated to include protections under the Providing Urgent Maternal Protections for Nursing Mothers Act
- [DOL Your Employee Rights Under the Family and Medical Leave Act poster](#)

Off Lease Buyouts

Recent MDOS inspections have found that many, many dealerships are incorrectly completing lease buyout paperwork. Multiple dealers were cited for improperly handling this paperwork. Please review [Chapter 3](#), Section 3-4.3 of the Dealer Manual, which covers *Conducting an Off-Lease Vehicle Transaction*.

MADA will review additional legal issues for dealers to be aware of in an upcoming issue of *Fast Facts*, including new concerns with **open and obvious liability cases**.

EMPLOYEE RETENTION CREDIT

IRS Halts Processing of New ERC Claims

Update from Fenner, Melstrom & Dooling, PLC

Amid a growing number of scams and fraudulent activity surrounding the Employee Retention Credit, the Internal Revenue Service will stop processing new claims, effective immediately, at least through the end of the year.

"We are deeply concerned that this program is not operating in a way that was intended today, far from the height of the pandemic in 2020 and 2021," IRS Commissioner Daniel Werfel said during a September 14, 2023, conference call with reporters. "We believe we should see only a trickle of employee retention claims coming in. Instead, we are seeing a tsunami."

Werfel said the agency has received about 3.6 million claims by taxpayers taking advantage of the program and there are more than 600,000 that have yet to be processed, "virtually all of which were received within the last 90 days. That means about 15 percent of all ERC claims received since the start of the program three and half years ago have been received in the last 90 days. That's an incredibly large number to have so far beyond the pandemic and nearly two years after the time periods covered by the program."

The agency said in a September 14, 2023, press release that it will process claims already received, but as of today, there will be no new claims processed for the pandemic-era relief program aimed to help small businesses remain in operation while dealing with potential economic hardships due to the COVID-19 pandemic.

IRS Press Release

PROCEDURAL FAST FACT: *quick tips to share with your team*

Dealer license renewals have been emailed!

If your dealer license expires in Dec. 2023, the Michigan Department of State (MDOS) has emailed information to help your dealership get the license renewed. Please keep this information in mind:

- Renewal paperwork is sent by email to the dealership's CARS e-Services Account Manager
- Renewals must be submitted online this year
- Only the Account Manger can access the dealer licensing side of your e-Services account
- \$25,000 surety bond must be in place before MDOS will approve a license renewal

Unsure of your license renewal year? Check your wall license or look up the expiration date within e-Services.

MADA encourages all dealers to make sure the renewal email has been received. If you have questions about your 2024 dealer license renewal or the new \$25,000 bond requirements, please contact MADA at (800) 292-1923.

REMINDERS FROM MDOS

Updated ELT Information

The Michigan Department of State has again reminded dealers and lenders of the impending deadline to get registered with the state's Electronic Lien Titling (ELT) program. **Please review the Sept. 21 email from MDOS, titled: REMINDER: ELECTRONIC LIEN AND TITLE (ELT) TO BECOME MANDATORY OCT. 1**

This email included an attachment listing the financial institutions that are not currently enrolled in the ELT program. The list also includes non-registered dealerships that offer in-house financing. (We noticed a few MADA members on this list.)

The list is being updated by MDOS hourly as new lenders get registered and the state processes their information. However, if you notice a lender you regularly work with, you may want to reach out and check with them about their registration status.

We are hearing that it is important to verify the lender name with the proper LH# -- as it should appear on vehicle paperwork. When submitting paperwork, the lender name must be entered in the correct format so it matches the system. Whether the company name is written out, abbreviated, or some other special format, your paperwork must have it entered the same way.

We also remind dealers to verify that lienholder information (including LH#) entered through CVR ends up printing correctly on the RD-108L (this is a new feature in the past five days). There may be instances where a dealership has an auto-populate form or template that "auto-corrects" to previously entered settings, which will then need to be corrected.

We anticipate MDOS will provide additional updates next week. If you have questions about the Oct. 1 ELT deadline, contact MADA at (800) 292-1923.



[Read More](#)

CAPITOL CORNER

- 'Death Star' Repeal Moves To Senate Floor
- Bills Creating Office For Energy Transition Labor Support Receives Hearing
- Pollster Sees Trump Using EVs To His Advantage
- Hill Harper: Shades of Jack Lousma?

MEMBER NEWS

Remembering Ed Davis: A Trailblazer for

Black Automobile Dealership Owners

The Ed Davis story, as a pioneering figure in automobile sales, began in the mid-1930s and is interlaced with ups and downs in an era when Black people were finding footing in the booming manufacturing and assembly segments of the automobile industry, but not on the sales end of the spectrum. Yet, Davis found a way – his way – to persevere in search of his automotive dreams as a dealership owner – first in 1939 and again in 1963.



“I was the first Black dealer among the 25,000 dealerships of the Big Three,” Davis wrote in his riveting autobiography, *One Man’s Way*, published in 1979. “When I decided to get out of the business in 1971, I was among Chrysler Corporation’s most aggressive dealers, selling about 1,000 new cars and twice that figure in used cars a year at my Chrysler-Plymouth Dealership.”

[Keep Reading](#)



In Memoriam: Erhard Dahm

With great sorrow, we share that Erhard Max Waldemar Dahm passed away on September 10, 2023 at the age of 93 from Alzheimer’s disease.

In post WWII Germany, Erhard and his wife Gretchen began their life together. Erhard was a highly skilled auto mechanic, having earned certification as an automobile mechanic with Mercedes-Benz. In 1958, they were sponsored to immigrate to the United States.

In Detroit, Erhard immediately put his mechanical know-how to work and quickly earned a reputation as the go-to mechanic for European imports, particularly Volkswagen and Porsche cars. Armed with a German-English dictionary, Erhard opened two gas and auto repair stations in metro Detroit between 1960 and 1962, and Erhard Motors was born. In 1965, Erhard became an authorized BMW Sales and Service Dealer, and in 1966 a Porsche dealer.

Family will receive friends during a Celebration in Life scheduled to be held in spring 2024. In lieu of flowers, memorial contributions may be made and directed to the Alzheimer’s Association, 225 N. Michigan Ave, FL. 17, Chicago, IL 60601 or online at act.alz.org.

[Obituary](#)

AROUND THE WEB



Shared from
Fisher Phillips

NADA Show 2024 Main Stage Speakers Announced

Three remarkable individuals will grace the NADA Main Stage, each bringing a unique perspective on success, transformation and the pursuit of dreams. Whether you're an entrepreneur seeking inspiration, a sports enthusiast looking for motivation, or simply eager to learn from the best, NADA Show 2024 has it all!

New in 2024, Main Stage sessions begin at 9am to jumpstart the day! Check out the new and improved schedule before booking your travel.

[Read More](#)

Checklist: It's Time to Update Your Employee Appearance Policy

Recent workplace shifts mean that it's time to review your employee appearance standards and dress code to ensure they are fair and inclusive, as well as compliant with the latest legal developments. Keep in mind that consistency is key.

Every workplace is different, but in general, you should consider the questions within this checklist.

[Read More](#)



MADA Annual Meeting
December 13, 2023

EDUCATIONAL OPPORTUNITIES

Plante Moran (Sept. 27) [Charging into an EV future: Are you prepared?](#)

Dealers Resources Inc. (Oct 17-20) [Financial Services Management Training](#)

DETROIT AUTO SHOW

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Offering dealer indirect financing and financial products.

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MADA Fast Facts



September 29, 2023
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Fixed Ops Training Webinar Series, hosted by MADA

MADA has scheduled a three-part training program, led by industry expert, Steve Shaw. This will be a virtual, engaging, instructor-led course, leading your team to improvement in repair order performance, profit, team member earnings, and so much more!

- **Oct. 19** | Multi-Point Inspection
- **Oct. 26** | Keys to Communication *<< also great for BDC teams and front-facing staff!*
- **Nov. 2** | Maintenance Schedules



[Click here](#) for more information and registration details

MORE ELT INFORMATION

The Deadline is Around the Corner; Make Sure Your Records Are Updated

The Michigan Department of State (MDOS) has again confirmed that as of October 1, any title application submitted with a secured interest must include a lienholder number (LH#) with the proper lienholder company name. Title applications presented to the Secretary of State **will be rejected** if this information is not provided.

What if we don't have the lienholder number?

If you are processing a vehicle transaction and the secured interest has not provided you with its unique LH#, please first reach out to the bank to request the number. If they do not have that information, contact MADA at (800) 292-1923. We will share the lender name and contact information with MDOS, which can follow up with the lienholder. In the meantime, the dealership **cannot submit a title application** using this lienholder.

Update templates in CVR

If you have not done so already, update your templates in CVR to show the LH# and the proper lienholder name. If this information does not match when transaction information is entered into CVR, you may get an error message.

The state has been working with banks to update records and create consistent usage of the lienholder company name. Example: Chrysler Capital Corp may display in your existing CVR template. It must be changed to CTCNA, which is how it is registered with the state. (Dealers may look up a LH# within CVR to view the proper spelling of the company.)

In-transit -- continue to use old CVR lienholder # (for the moment)

MDOS will continue to work on the in-transit issue, where the dealer must use the old CVR lienholder number instead of the new LH#. The state hopes to have more information for dealers next week.

Other notes

The state has received 100s of new lienholder registrations in the past three weeks. Most have been processed, but the state is still working to get everyone updated in the system. They should be current soon.

We have also been informed that there is not a public lienholder (LH#) list available. Dealers should use the CVR lookup to find current information.



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Call MADA to learn how BCBS of Michigan can support your employees!

DRIVING YOUR SUCCESS®

The DOL Promulgates Rule to Increase Pay for White Collar Workers

from Barrett Charapp Beaty, Esq.

On August 30, the United States Department of Labor promulgated a rule revising the exemption from premium overtime for white collar employees.

The proposed rule seeks to raise the annual salary threshold from \$35,568 to \$55,068 for employees who are exempt from overtime pay due to administrative, executive, professional, and outside sales professional exemptions pursuant to the

Fair Labor Standards Act (FLSA). What does this proposed rule mean? For employees to be exempt from overtime pay for the administrative, executive, professional, and outside sales professional exemptions pursuant to the Fair Labor Standards Act (FLSA), the employee needs to earn no less than \$55,068 a year, which equates to approximately \$1,059 per week.

In addition to raising the threshold salary for administrative, executive, professional, and outside sales professional exemptions pursuant to the Fair Labor Standards Act (FLSA), the DOL proposes an increase of the annual salary requirements from \$107,432 to \$143,988 for the “highly compensated employee” exemption. So this would mean, employees who earn less than \$143,988 could earn overtime.

Keep Reading



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WE HAVE YOU COVERED**
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BONDING COMPANY
COMMON SENSE SURETY SINCE 1933®
90 YEARS OF YES
TO THE BEST

PROCEDURAL FAST FACT: *quick tips to share with your team*

Do you know the expiration date of your repair facility license?

Unlike dealer licenses and installment seller licenses, which expire at the same time for every dealer, **repair facility licenses could expire any time throughout the year.** (That said, there are a large number of repair facility licenses that expire each September.) The expiration date will be printed on the wall license.

Repair facility licenses expire annually, following the date your application was first approved. Ahead of your license expiration date, the Michigan Department of State will send you a renewal form by mail. Currently, renewal of the repair facility can be done by mail or through CARS e-Services.

Have questions? Contact MADA at (800) 292-1923.

SET & EXCEED DEPARTMENT GOALS

Are You Keeping Score?

by Larry Edwards, Edwards & Associates Consulting, Inc.

How interesting would a NASCAR race be if there was no scoreboard? What if all 40 cars lined up and ran 500 miles with no one keeping score? What if the Drivers and their Crews had no idea what position they were in? Would they work harder? Would the fans be interested in watching a race, football game, baseball game, or a basketball game if there was no scoreboard to tell them which team was winning?

Are your employees working in the dark? Do your employees know what is expected from them? Can your employees see for themselves how they are doing? Many times, I have requested that a manager begin posting key individual and key

department results daily, only to come back later, and discover that the tracking results are not being kept up to date. When I ask the Manager why the results have not been posted since I left, many times I am told "my employees did not want me to share their results with other employees."

Successful Managers establish aggressive, achievable goals, for each employee and the department. Great managers make a point of celebrating with all employees whenever their department exceeds the goals they have set.

Sample List of Performance items you should list on your Department's Scoreboard (click the link below for a more comprehensive list):

Service Scoreboard

- Billed hours needed to produce the desired Department Net Profit.
- Daily, weekly and total for the month.
- Individual technicians' hours needed...

Parts Scoreboard

- Total Department Sales and Gross objectives for the month.
- Daily Sales objective.
- Daily Gross Profit percent objective...

Collision Scoreboard

- Total Department Sales objective for the month.
- Daily Sales objective.
- Individual Estimator Sales objective for the month...

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CAPITOL CORNER

- Federal Judge Sentences Rick Johnson To 55 Months For Bribery
- Roles Reversed In Plastic Bag Regulation Discussion
- Michigan Native Grain, Veteran Property Tax Breaks Taken Up By House
- Trump Urges UAW To Endorse His Re-Election
- Taxing Snacks: Food Tax Reform Bills Sent To Gov.

MEMBER NEWS

Northwood University Announces the 2023 Class of Outstanding Alumni

Each year, Northwood University honors exceptional alumni for their dedication and achievement in their professions, community involvement and commitment to

Northwood University. MADA is pleased to share that **Jeff Cauley** and **Joe Cauley** were both recognized this year with the **Alumni Leadership Award**.

Keep Reading

Northern Michigan Dealer Hosting Seat Check Saturday

According to Safe Kids North Shore, nearly half of all car seats and boosters are used incorrectly. To help change that trend in the Traverse City area, Williams Chevrolet is hosting an event this weekend in which a certified child passenger safety technician will inspect parents' child car seats.



Annual Seat Check Saturday
Saturday, Sept. 30th

46% of car seats & boosters are still used incorrectly

TIME: 10am-1pm
HOST: Williams Chevrolet
2600 N. US 31 South
Traverse City

GOODIES
FIRST RESPONDERS
FUN

Have your child's car seat checked by a Certified Child Passenger Safety Technician!

SAFE KIDS NORTH SHORE

AROUND THE WEB



UAW Supporters to Hit the Pavement at Dealerships

Labor Notes | When it comes to the impact of the strike on customers, auto dealerships are where the rubber meets the road....the UAW is now calling on community supporters to organize small teams of five to 10 people to canvass dealerships that sell and repair Big 3 cars. On Tuesday, the union issued a [canvassing toolkit](#) with instructions, flyers, press releases, and talking points.



New-Vehicle Market Shrugs Off High Loan Rates, UAW Strike, Closes Q3 on a Strong Note

Cox Automotive | The U.S. auto industry's robust year-over-year sales recovery continued in the third quarter, according to a forecast released today from Cox Automotive. Despite rising interest rates on new-vehicle loans and a strike by the United Auto Workers against the major domestic automakers, sales volumes in September are forecast to reach nearly 1.3 million, an increase of more than 13% from 2022. Sales in Q3 are expected to surpass 3.9 million, a jump of more than 15% from the same

timeframe one year ago.

[Read More](#)

[Read More](#)

EDUCATIONAL OPPORTUNITIES

NHTSA Consumer Alert

Kia and Hyundai Issue Recalls for 3.3M Vehicles, Advise Owners to Park Outside ([press release](#))

NADA & KPA (Oct. 11) [Navigating the EHS Regulatory Horizon: Insights from a Safety Expert](#)

Dealers Resources Inc. (Oct 17-20) [Financial Services Management Training](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

Bank of America provides retail loan financing and the full range of commercial banking services to automobile dealers across the United States. These services include comprehensive inventory financing, commercial loans, depository services, and merchant and treasury management services.



[Website](#)

Schultz Inc./1800PITCLEAN was founded in 1978 as Schultz Oil, with a small tanker truck to collect used oil which was treated and delivered as industrial fuel for local asphalt companies. Schultz Inc. quickly became a well known business in Michigan offering quick response to people's needs and dynamic disposal solutions.



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MADA Fast Facts



October 6, 2023

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Fixed Ops Training Webinar Series, hosted by MADA

The service & parts department of a dealership accounts for a significant portion of a dealership's gross profits. It is important that the team you have managing this department has the resources to succeed. Continuing education is one simple opportunity dealers have to support the success of each employee.

MADA has scheduled a three-part training program, led by industry expert, Steve Shaw. This will be a virtual, engaging, instructor-led course, leading your team to improvement in repair order performance, profit, team member earnings, and so much more!



- **Oct. 19** | Multi-Point Inspection
- **Oct. 26** | Keys to Communication << *also great for BDC teams and front-facing staff!*
- **Nov. 2** | Maintenance Schedules

[Click here](#) for more information and registration details

NEWS FROM NADA

Treasury: IRS Expects to Reimburse Dealers for EV Credits Within 72 Hours



The IRS expects to reimburse dealers who transfer advance payments for clean vehicle tax credits “on the hood” within 72 hours of submission via electronic payment, Treasury said Friday. Additionally, Treasury said that consumers – as opposed to dealers – will be responsible for attesting to their income for the purpose of determining eligibility for clean vehicle tax credits.

These are positive developments and aligned with two major priorities that NADA stressed to Treasury would be needed for successful implementation of the clean

vehicle tax credit program in the showroom. The information Treasury released Friday should allay the biggest dealer concerns with their role in facilitating advanced clean vehicle tax credits to consumers at the point of sale starting in January 2024.

The information regarding the EV tax credit advance payments was part of an announcement Friday from the Treasury Department. The announcement contained other information regarding the implementation of the EV tax credits; for instance, details about how dealers will register with the IRS via the portal.

NADA will be communicating regarding the full announcement in the near future. NADA will also continue to engage with Treasury regularly as the regulations are completed and Treasury releases additional information related to the clean vehicle tax credit program.

[Treasury Press Release](#)

[Automotive News Article](#)

NEWSLETTER SPONSOR



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Armatus Dealer Uplift is the industry leader in Retail Warranty Reimbursement and has 14,000+ approvals for over 6,300 dealers.

Armatus now offers its new SaaS product, Fixed Ops Performance Center, which provides Management with the critical tools needed to significantly improve operational efficiency and increase fixed ops profits through both reporting and coaching.

PREPARE FOR SNOW AND ICE SEASON

The Evolving Landscape of Premises Liability

From Dawda Mann, Counselors At Law



The doctrine of “open and obvious” was a hallmark of premises liability litigation for years. Essentially, it shielded landowners from responsibility when dangers on their property were obvious enough that an invitee should reasonably be expected to notice and avoid them. With *Lugo v. Ameritech Corp, Inc.* serving as the guiding precedent, the “open and obvious” clause was a potent defense against negligence claims. However, the landscape changed dramatically with the ruling in *Kandil-Elseyed v. F&E Oil, Inc.*, which upended the previously established framework.

Lugo vs. The New Perspective

Under *Lugo*, if a risk was “open and obvious,” a landowner generally owed no duty

of care to protect invitees from such a risk, unless the risk possessed “special aspects”. These special aspects included being “effectively unavoidable” or posing a significant risk of severe injury or death. This approach allowed many cases to be dismissed or summarily judged based on the obviousness of the danger.

Kandil-Elsayed, however, shifted the focus. It proclaimed that landowners, in general, have a duty to shield invitees from unreasonable dangers, irrespective of the risk’s “open and obvious” nature. The onus now falls on the jury or factfinder to evaluate the openness and obviousness of the danger when determining if the defendant has breached their duty and when assessing the plaintiff’s comparative negligence.

Implications for Premises Liability Cases

The practical implications of the shift are profound. Fewer negligence lawsuits rooted in premises liability will be dismissed out of hand due to the “open and obvious” defense. This means a greater number of cases will go to trial, placing the spotlight on the **comparative negligence** of all involved parties. In situations where a risk is so glaringly obvious that anyone could and should avoid it, the plaintiff’s negligence could be deemed higher than the defendant’s, possibly leading to no liability. Conversely, if a danger, even if “open and obvious”, is effectively inescapable, the landowner could be found more at fault than the plaintiff...

Keep Reading

PROCEDURAL FAST FACT: *quick tips to share with your team*

Beginning Jan. 1, 2024, businesses that file 10 or more information returns must e-file Form 8300, Report of Cash Payments Over \$10,000, instead of filing a paper return. For those with fewer information returns, e-filing Form 8300 is still optional. To file electronically Form 8300, a business must set up an account with the Financial Crimes Enforcement Network’s BSA E-Filing System.

Additional resources:

- [Form 8300 and Reporting Cash Payments of Over \\$10,000](#)
- [Report of Cash Payments Over \\$10,000 Received in a Trade or Business - Motor Vehicle Dealership Q&As](#)



INVOICE REMINDER

Please Confirm Surety Bond Information When Renewing

As dealers are aware, bonds must be increased to \$25,000 when renewing the bond and/or before the SOS will renew a dealer license. Within e-Services, the bond

number must be confirmed and the \$25,000 bond endorsement must be uploaded to the system.

During this process, a few dealers have found out they have two surety bonds through different companies. This is noticed either through issues when confirming bond numbers, or later when the state contacts the dealer to request further information. When MADA helps the dealer research the issue (and communicates with the state), some dealers are finding out they have been paying two bonds for many years without realizing it.

There may be various reasons for this. Perhaps a new staff member selected a different bonding company and the old bonding company was never notified of the cancellation request. **From past experience we do know that some companies will mail an unsolicited invoice for surety bonds, with the hope that the dealership will pay the invoice without confirming it was a requested service.**

This is a great reminder to always review invoices (of any type) prior to payment and confirm the product or service was requested.

MADA of course supports our members with bonds through our Dealers Insurance Agency (DIA). However, we are happy to assist with any bond or license renewal questions you may have, regardless of where you get your bond. Please contact MADA at (800) 292-1923 whenever needed.



[Read More](#)

CAPITOL CORNER

- Duggan's Tax Reform Stalls In House After Member's Medical Emergency
- Immunity Law For Drugmakers May Be Repealed
- Should Unions Be Forced To Represent Non-Union Members?
- Bill to Establish Worker Transition Office Voted Out of Committee

MEMBER NEWS

How A Local Car Dealership Added 'Free College' To Its List Of Employment Benefits

"This has to be too good to be true."

That was the reaction the team at Bill Marsh Auto Group had when they first heard about Degrees@Work, a new partnership between Stellantis and Strayer University, one of the biggest online colleges in the United States. Under that program, Stellantis-affiliated dealerships like Bill Marsh now have the ability to offer a free college education to their employees.

Tuition assistance has become an increasingly common employment benefit in

recent years, both as college costs have continued to skyrocket and as employers across virtually all industry sectors have struggled to recruit and retain talent. Last year, an employee benefits survey conducted by the Society for Human Resource Management (SHRM) found that 48 percent of employers now “offer undergraduate or graduate tuition assistance as a benefit.”

Keep Reading

Lewis & Knopf, CPAs, P.C. Recognized as One of 'Flint & Genesee's Top 10 Employers'

Long-time MADA associate member Lewis & Knopf, CPAs, P.C. has been named one of "Flint & Genesee's Top 10 Employers" in a new recognition program from the Flint & Genesee Group. Honorees were unveiled in the [September/October edition of AND](#), the group's business magazine.



Lewis & Knopf, CPAs, P.C. is a full-service accounting and consulting firm serving entrepreneurial clients interested in furthering their financial well-being.

The company strives to cultivate its team. Team members have the chance to work with a range of clients in a variety of industries and learn about all elements of accounting, tax, audit, and business consulting services as they work on client engagements from beginning to end.

AROUND THE WEB



Paystub: Real or Fake?

F&I Showroom Magazine | Along with identity theft and deceptive-practices claims, credit application fraud remains one of the top three risks dealers face today. In the past, consumers and identity thieves could surf the internet and create fake pay stubs and other documents to support many steps from finance sources on a deal, or to support an identity theft, or both. Now they can use AI to create those fake pay stubs, and some of the old methods to vet the pay stub have been put to rest.

So how do you vet a pay stub for legitimacy?

Second Week of Strike Sees Bigger Losses

Anderson Economic Group | AEG estimates that the "stand up" strike by the UAW against the Detroit Three automakers resulted in \$3.95 billion in economic losses in the first two weeks, consisting of:

- Direct Wages Lost – \$325 million
- Detroit 3 Manufacturer Losses – \$1.12 billion
- Supplier Losses – \$1.29 billion
- Dealer and Customer Losses – \$1.2 billion

(Check AEG for a new update on Monday, October 9)

Read More

[Read More](#)

NADA Show: Who Should Attend?

NADA Show offers a full program of innovative products, emerging trends and networking opportunities for all areas of your dealership. [See how your departments benefit.](#)

EDUCATIONAL OPPORTUNITIES

AutoNews & Cox Automotive (Oct. 24) [Build Consumer Trust With a Connected, Hybrid Approach to Auto Retail](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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.

[Website](#)



Newtech Dealer Services™, established in 1998, is one of the industry's leading innovators in technology, consulting, financial services, and vehicle management. Our proven systems and methods have helped our clients throughout the country increase revenue, control expenses, and create efficiencies.

[Website](#)



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MADA Fast Facts



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MDOS DEALER MANUAL

Chapter 7 Revisions: RD-108: Application for Title and Registration

The Michigan Department of State (MDOS) emailed licensed dealerships on Thursday with a notice about recent changes to [Chapter 7 of the Dealer Manual](#). MADA is providing a brief overview of the changes below; we encourage you to read the revised chapter sections for complete information.

7-1.3 Corrections to the RD-108

Revisions provide additional detail on how corrections should be made, and in what instances a new RD-108 must be submitted. This section also adds an allowance for hand-writing the delivery date, *specific to off-lease purchases*.

Section 7-3 Checklist

Various items within this list have been modified. Please review the full checklist, but we will highlight a few changes:

- *Left Column Entries #8* adds a reminder to properly mark alternative fuel vehicles so the proper registration fees are applied.
- *Right Column Entries #22* adds the requirement to enter the lien code ID (LH#)
- *Statement of Vehicle Sales Entries #9* now references manufacturer rebates.
- *Purchaser of Lessor's Signature* section adds details on electronic signatures. (NOTE: wet signatures are still required on the odometer statement.)

7-4.3 Document Fees

This section now reads: "Dealers may charge a documentary preparation fee." And no longer includes "to cover the cost of finance document preparation."

The section also adds: "Documentary preparation fees should not be referred to or implied in any document as being required by the State of Michigan or Michigan law."

NEWSLETTER SPONSOR



Armatus Dealer Uplift is the industry leader in Retail Warranty Reimbursement and has 14,000+ approvals for over 6,300 dealers.

Armatus now offers its new SaaS product, Fixed Ops Performance Center, which provides Management with the critical tools needed to significantly improve operational efficiency and increase fixed ops profits through both reporting and coaching.

[Learn More](#)

MADA WEBINAR REMINDER

3-Part Fixed Ops Training Series

With the changes happening in the industry, your service department must be able to create - and maintain - positive relationships with customers. Part of this comes from communication methods, and another important aspect is developing trust and understanding through proper presentation of needed maintenance and repair.



To assist in this process, MADA has scheduled a three-part training program, led by industry expert, Steve Shaw. This will be a virtual, engaging, instructor-led course, leading your team to improvement in repair order performance, profit, team member earnings, and so much more!

- **Oct. 19** | Multi-Point Inspection
- **Oct. 26** | Keys to Communication << *also great for front-facing staff!*
- **Nov. 2** | Maintenance Schedules

[Click here](#) for more information and registration details

PROCEDURAL FAST FACT: *quick tips to share with your team*

MDOS reminds dealers there are some dealer license changes that **should not** be made during the online license renewal process.

Complex changes will delay processing; you are encouraged to **submit separately** from your renewal. These changes include:

- Business Address
- Add or Remove Owners

Changes **not allowed** with renewal include:

- Increase Number of Dealer Plates (additional plate process begins in Jan.)
- Remove Supplemental Locations

This [handout from MDOS](#) contains additional reference information about license renewals.

When making changes to your license, MADA is happy to help our members! We can provide the required forms, walk you through the process, and even communicate with the state on your behalf. Call (800) 292-1923 | Email lduby@michiganada.org



ELT REMINDERS

Update to In-transit Process; Selecting Current Records

In-transit. MDOS has now updated the ELT process for out-of-state, in-transit transactions. When the lienholder is active in the state's ELT system, submit the transaction using the proper LH lienholder number. In situations where the lienholder is not in the system and does not have an LH number, please refer to the previous in-transit process.

CVR system clean up. Dealers are also highly encouraged to "clean up" the lienholder data favorites within their CVR system. With the state's new ELT program requirements, it is very important that the correct lienholder record is selected for the transaction. Some dealerships have multiple records in their system for the same lienholder (i.e. different address or spelling of the company). Please clean out the old records from your favorites to ensure you are submitting transactions that include the proper company name and lienholder number.

FTC SAFEGUARDS RULE

Deadline Approaching: Complete Your Inaugural FTC Safeguards Board Report By Year's End!



The Federal Trade Commission's (FTC) Federal Safeguards Rule, can seem very overwhelming. One of the most difficult parts of the Rule is accurately communicating the requirements and progress to the dealership's governing body. In fact, it's actually written into the rule that the board of directors or an equivalent governing body of the financial institution must receive an annual report on the status and effectiveness of the institution's information security program and other material matters relating to Safeguards Rule Compliance 16 CFR §314.4(i).

The broad aspect of the law can oftentimes leave dealers confused. ComplyAuto reminds dealers that the qualified individual must draft a report that will cover the

dealership's:

- information security program,
- risk assessments, risk management and control decisions,
- service provider arrangements,
- the results of penetration tests and vulnerability scans, and
- any recommendations for changes in the information security program.

Dealers should already be aware of and implementing policies to maintain compliance with the revised FTC Safeguards Rule. [A general overview of the rules can be found here.](#)

Existing ComplyAuto are reminded that the Annual Board Report builder software can automatically pull data from across the platform to automate the process of generating a board report. [Read more here.](#)



[Read More](#)

CAPITOL CORNER

- Three Strikes For Land Tax But It's Not Out Yet
- Johnson Warns House R's Of Primaries For Supporting Land Value Tax
- Bills Giving MPSC Power Over Wind, Solar Projects Equated To Declaring War On Ag. Districts
- Whitmer Up 46%-40% On Trump; Biden Down 42%-35%

MEMBER NEWS

Hillsdale GMC and Southern Michigan RV owner recognized for service to community

Ken Joswiak, owner of Hillsdale GMC and Southern Michigan RV, was recently awarded the Marvin E. Howell Award for service to the community.



Joswiak and his wife, Stacy, bought the Hillsdale GMC dealership seven years ago and opened Southern Michigan RV in 2022. Joswiak is also the president of the Hillsdale Business Association, but that's just one of the ways he helps contribute to economic growth in Hillsdale County.

"With Stacy by his side, they are the dynamic duo of organizing community events and personally providing financial assistance along with their time," said Susan Smith, executive director of the Economic Development Partnership of Hillsdale County. "Whether it's trunk-or-treat, a parade or a car show, you'll find them there in full support."

[Keep Reading](#)



General RV Center Rolls Up Sleeves to Clean Up Detroit

General RV Center employees rolled up their sleeves to make a difference in the city of Detroit through the [Six Day Project](#), hosted by Life Remodeled. The multi-day volunteer project works to clean up blight and beautify the Cooley Community located on the northwest side of Detroit, according to a release.

On Oct. 5, nearly 30 members of General RV's Marketing Department joined forces with more than 5,000 other volunteers during the six-day event to mow lawns, rake leaves and clean up over 500 lots. For nearly a decade, Life Remodeled has worked to create lasting revitalization, turning vacant properties into community hubs. This is the second year General RV, a Life Remodeled sponsor, has worked with the Detroit non-profit.

[Keep Reading](#)

AROUND THE WEB



5 Auto Dealer Best Practices for a Vehicle Acquisition Strategy

ACV Auctions | Dealers must optimize their turnover to succeed in a competitive marketplace. This is especially important when it comes to trade-ins, as there's likely to be much more competition for pre-owned cars at the dealer level. After all, the number of used vehicles under 5 years old on dealer lots is predicted to shrink from 14.1 million



HOV lanes approved to be on Michigan highways

WILX | Michiganders will soon see high-occupancy vehicle (HOV) lanes on highways throughout the state.

Gov. Whitmer signed legislation Tuesday allowing the MDOT to designate highway lanes using federal funds as HOV lanes to encourage carpooling and ease highway traffic.

House Bill 4352, sponsored by state Rep. Nate Shannon, amends the Michigan Vehicle Code to exempt motorcycles and other vehicles as determined by MDOT from HOV lane restrictions.

to 12.7 million by 2025[1]. This translates to 24% fewer vehicles available, compared to 2020.

[Read More](#)

[Read More](#)

EDUCATIONAL OPPORTUNITIES

Automotive News (Oct. 26 | Chicago) [Retail Forum](#) is a must attend event for leaders in the automotive retail space who are looking to share ideas on how to leverage their operations to maximize customer retention and revenues.

NADA is offering an opportunity to win free passes to the NADA Show 2024! To grasp the golden ticket, your task is to create a riveting video that demonstrates why dealership employees from every department simply can't afford to miss the NADA Show. [LEARN MORE](#)

WEBINAR: MADSIF Workers' Comp – Built by Dealers

Tuesday, October 24 at 9:00 am >> [REGISTER](#)

In the early 1990s, the Michigan Automobile Dealers Association (MADA) partnered with Michigan dealers to form an elite workers compensation group and called it MADSIF. The program supports your MIOSHA compliance requirements and offers unmatched service and price advantages to its dealer members. In fact, a number of dealers who previously left for commercial workers' comp carriers have recently come back!

MADSIF members, not policyholders, receive FREE MIOSHA-required compliance training, 28% back in surplus, and 23% claims cost savings.

This is a high-level loss prevention program that was developed by Michigan dealers, and continues to be guided by Michigan dealers.

Please join us for an informational webinar this month to learn more.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

MRA is one of the largest and most established credit card processors in Michigan. We understand you want simplicity and you need to save money when it comes to credit card processing. MRA saves members an average of 23 percent on credit card processing fees using an easy-to-understand approach. We service all major credit cards and offer a variety of deposit options.



[Website](#)

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,



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MADA Fast Facts



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BUSINESS LICENSING

Confirm Bond Documentation Before Uploading

The SOS Business Licensing Section emailed certain dealers this week with a reminder about acceptable documentation required to upgrade the \$25,000 bond in CARS e-Services. The state is seeing a lot of incorrect information being uploaded, which slows down the process for the state and dealers.

Please be aware that when updating the vehicle dealer surety bond amount, the Department can ONLY accept a bond rider or a new bond. (The term bond *rider* and bond *endorsement* are interchangeable for this purpose.)

Acceptable bond documents:

- ✓ Bond rider (or bond endorsement)
- ✓ New bond with all signature lines completed

Unacceptable bond documents:

- ✗ Bond renewal certificate
- ✗ Bond renewal invoice
- ✗ Bond execution report
- ✗ Continuation certificate
- ✗ Personal letter from insurance agent that is not a "Bond Rider"

[See this letter](#) from Business Licensing and contact MADA if you have additional questions.

NEWTECH™
DEALER SERVICES

Learn More

NEWSLETTER SPONSOR

Newtech Dealers Services™ is an innovative privately held FinTech company providing services to the Automotive, RV, Marine, and Powersports industries. As one of the industry's leading innovators in technology, consulting, financial services, and vehicle management our proven systems and methods help dealers throughout the country to increase revenue, control expenses, and

FEDERAL LEGISLATION

NADA Has Its "Hands on the Wheel"

NADA recently created a short video overview of its current top legislative priorities. These are federal issues dealers around the country have highlighted as critical to the continued success of dealership operations. Please view NADA's "Hands on the Wheel" video [here](#) to see how NADA is supporting franchised dealers.



NADA Show | Feb. 1-4

Announcing the NADA Show 2024 Education Lineup

The NADA Show offers a unique opportunity for dealers and managers to immerse themselves in the latest trends, innovations and strategies to help improve their performance and grow their business.

[More than 100 workshops and educational sessions](#)

[Peer-to-peer discussions exclusively for dealers and managers](#)

[Gain insights from high-profile industry speakers and panels](#)

[Two Super Sessions:](#)

- *Unleashing the Combined Power of AI and Human Capital*
- *The Ultimate Tune-Up for Fixed Operations*

[Chart your own course, or follow a track tailored to your role and interests](#)

- Business Essentials and Innovations
- Fixed Operations
- Variable Operations
- Marketing and Digital
- Human Capital
- Leadership

Keep Reading

PROCEDURAL FAST FACT: *quick tips to share with your team*

MDOS Compliance Inspectors are reporting a lot of violations relating to mechanic certifications. Please keep the following in mind:

1) Each certified mechanic is required to display a valid mechanic certificate or trainee permit at the facility of employment -- readily accessible to the customer. (Certificates must be renewed annually.)

2) Mechanics must be properly certified if diagnosing or repairing the operating condition of a vehicle, completing bench repairs, providing estimates, or diagnosing or repairing a damaged vehicle.

3) Mechanics must ONLY work in certified categories.

SENATE FISCAL AGENCY

Monthly Revenue Report: Sept. 2023

The Senate Fiscal Agency releases monthly reports that track revenue collections for major State taxes and compare to the previous month and year. Following are a few bullet points of interest from the September report.

Michigan's **major taxes and net lottery revenue** totaled \$3.7 billion in September 2023, down 3.2% from September 2022. Greater-than-expected State Education Tax (SET), Corporate Income Tax (CIT), and lottery revenue combined to more than offset less-than-expected individual income tax (IIT) withholding and greater than-expected IIT refunds.

General Fund tax collections were \$3.1 million below the expected level for September 2023, while **School Aid Fund tax collections** were \$75.3 million above the forecasted level. The remaining \$3.7 million in above-forecast collections was directed to other funds, most notably constitutional revenue sharing.

Sales tax receipts totaled \$945.6 million in September 2023, a 1.3% increase from the September 2022 level and \$9.9 million above the forecasted level. In contrast, **use tax collections** totaled \$204.7 million in September 2023, a 5.6% decrease from the September 2022 level and \$4.7 million below the predicted level.

Sales tax collections from **motor vehicles sales** totaled \$119.2 million, the lowest level since April 2023, and down 8.4% from the level in September 2022.

[Read More](#)



CAPITOL CORNER

- Changes To '19 Auto Reform Clears Senate
- House Signs Off On Student NIL Legislation
- Andrews' Campaign Manager, Sister Now A Multi-Client Lobbyist Focused On Clean Energy
- Unemployment Rises For Second Straight Month
- Transitioning Workers To Clean Energy Demands

MEMBER NEWS

MADA Nominates John Tapper for TIME Dealer of the Year

TIME magazine has announced that John Tapper, dealer at John H. Tapper Inc. in Paw Paw was nominated for the 2024 TIME Dealer of the Year award. Tapper is one of a select group of 49 dealer nominees from across the country who will be honored at the 107th annual NADA Show in Las Vegas.



The TIME Dealer of the Year award is one of the automobile industry's most prestigious and highly coveted honors. The award recognizes the nation's most successful auto dealers who also demonstrate a long-standing commitment to community service. Tapper was chosen to represent MADA in the national competition – one of only 49 auto dealers nominated for the 55th annual award from more than 16,000 nationwide.

A 1969 graduate of Western Michigan University in Kalamazoo, where he earned a B.S. in Automotive Engineering, Tapper served in the Michigan Army National Guard/Army Reserve from 1969 to 1980. He is a lifetime member of the American Legion Post 69 in Paw Paw.

Tapper started working in auto sales at the dealership originally founded by his father, John H. Tapper Sr., in 1961. He was named dealer in 1973 and has since added a Ford store, also in Paw Paw. An active member of MADA, Tapper has served on the board of directors since 2004 and is a staunch advocate for his fellow car dealers.

[Keep Reading](#)

AROUND THE WEB



The states that offer rebates

Week Four: Auto Industry Losses Due to Strike Now Total \$7.7 billion

Anderson Economic Group | AEG reports total economic losses from the UAW strike against the Detroit 3 OEMs have now reached \$7.7 billion. Losses are calculated through the fourth full week, which ended at midnight on October 12. AEG estimates the following cumulative

to EV owners

Newsweek | A typical EV can cost anywhere from \$30,000 to \$100,000, depending on the model and manufacturer. States are hoping with rebates that more residents buy the sometimes costly vehicles—a typical EV can cost anywhere from \$30,000 to \$100,000 depending on the model and manufacturer. State rebates typically apply to those who own the vehicles, and they can save hundreds or thousands in tax benefits or cash money.

[Read More](#)

losses through week four:

- Wages of OEM Workers – \$359 million
- OEM Losses – \$3.45 billion
- Supplier Wages and Earnings – \$2.67 billion
- Dealers, Customers, Other Industry Losses – \$1.21 billion

[Read More](#)



Save the Date

MADA Annual Meeting, Dec. 13

EDUCATIONAL OPPORTUNITIES

MADSIF & MADA (Oct. 24) [MADSIF Workers' Comp – Built by Dealers](#) Join us for a webinar with MADSIF to learn more about this loss prevention program that was developed by Michigan dealers, and continues to be guided by Michigan dealers.

UHY LLP (Oct. 24) [The Merger of Cybersecurity and Compliance](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

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.



[Website](#)

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.

MADA Fast Facts



October 27, 2023

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MDOS COMPLIANCE INSPECTIONS

Best Practice: Check That Managers Are Familiar with the Requirements of Your Dealer License

Compliance violations were a topic of discussion during a meeting last week with the Michigan Department of State (MDOS). From April 18 through October 18, 2023 (six months), general compliance inspections were conducted at 497 dealerships and 723 repair facilities; 3,305 violations were reported. Of these violations, 1,034 were reported as Class C violations (significant, with potential for probationary follow up). The additional 2,000+ violations were classified as Class A or Class B (need to be corrected, but less serious).

Many of the top violations were related to **improper processes at repair facilities**. Improper final invoice was the #1 violation reported (337), but there were many issues with mechanic certifications. Your service managers are reminded to check records on occasion to ensure all certifications are current and proper for the repairs being performed.

The **top dealer violations** continue to be the same issues reported year after year. Failure to apply for title in the accepted timeframe, failure to maintain records, including the police book, plus improperly completing the RD-108.

While continuing **dealer and repair facility training** is not *required* for Class A dealers -- it can be helpful. Especially for new employees who must be familiar with your regulatory requirements. (Dealership staff can sign up for free MDOS virtual training through the CARS e-services portal.)

MDOS has also created the following checklists that can be used for a quick reference of items that will be inspected.

[A/B vehicle dealer checklist](#) | [Repair facility checklist](#)

Newtech Dealers Services™ is an innovative privately held FinTech company providing services to the Automotive, RV, Marine, and Powersports industries. As one of the industry's leading innovators in technology, consulting, financial services, and vehicle management our proven systems and methods help dealers throughout the country to increase revenue, control expenses, and create efficiencies.

[Learn More](#)

EMPLOYEE RETENTION CREDIT

IRS announces withdrawal process for ERC claims

As part of a larger effort to protect small businesses and organizations from scams, the Internal Revenue Service announced the details of a special withdrawal process to help those who filed an Employee Retention Credit (ERC) claim and are concerned about its accuracy.

This new withdrawal option allows certain employers that filed an ERC claim but have not yet received a refund to withdraw their submission and avoid future repayment, interest and penalties. Employers that submitted an ERC claim that's still being processed can withdraw their claim and avoid the possibility of getting a refund for which they're ineligible.

The IRS created the withdrawal option to help small business owners and others who were pressured or misled by ERC marketers or promoters into filing ineligible claims. Claims that are withdrawn will be treated as if they were never filed. The IRS will not impose penalties or interest.

[Keep Reading](#)

DECEPTIVE JUNK FEES

FTC and Wisconsin Take Action Against Dealer Group and Owners for Illegally Discriminating Against Customers

The Federal Trade Commission and State of Wisconsin are taking action against Wisconsin auto dealer group Rhinelander Auto Center, its current and former owners, and general manager Daniel Towne for deceiving consumers by tacking hundreds or even thousands of dollars in illegal junk fees onto car prices and for discriminating against American Indian customers by charging them higher financing costs and fees.

The defendants have agreed to proposed court orders that will require Rhinelander's current owners and Towne to stop their unlawful practices and provide **\$1.1 million to be used for refunds to consumers**.

In their complaint, the FTC and Wisconsin DOJ say that Rhinelander and Towne regularly charged many of their customers junk fees for “add-on” products or services without their consent. The complaint cites one survey of Rhinelander customers that shows half of the dealer’s customers said they were charged for add-ons without authorization or through deception. One consumer was told - deceptively - that Guaranteed Asset Protection (commonly referred to as “GAP,” or “GAP insurance”) was required for her car purchase, even though she didn’t want to buy it; it cost her more than \$1,000 in fees and additional interest on her loan.

Keep Reading

More information from NADA | THE BIG PICTURE

Dealers should carefully review the recent settlement with an attorney who is familiar with federal, state, and local law governing fair credit and VPPs, as well as their dealership operations to determine appropriate compliance measures to adopt for their dealership. As a reminder, while not recognized as a compliance safe harbor by the FTC, NADA offers multiple optional products to assist dealers in this area, including:

- [NADA/NAMAD/AIADA Fair Credit Compliance Policy and Program](#)
- [NADA/NAMAD/AIADA Model Dealership Voluntary Protection Products Policy](#)



ASSOCIATE MEMBERS RENEWED FOR 2024

MADA offers associate membership to a select group of companies that support the automotive industry in Michigan and specialize in service to automotive dealerships. When reviewing your vendor relationships, please consider these companies, which have continued their membership with MADA into 2024.

20+ years of membership with MADA

- [Paul V. Engstrom & Co., LLP CPAs](#)
- [PNC Financial Services Group](#)
- [Computerized Vehicle Registration \(CVR\)](#)

10+ years of membership with MADA

- [Michigan Retailers Services](#)
- [Legal Shield | ID Shield](#)
- [Zurich](#)

DEALER AWARDS

Nominations Requested for David F. Mungenast Sr. Lifetime Achievement Award

The American International Automobile Dealers Association (AIADA) is now accepting nominations for the 2024 David F.

Mungenast Sr. Lifetime Achievement Award. This award is presented annually to a



member of the international nameplate auto retail industry who embodies an unrivaled commitment to his/her dealership and employees, community, and family.

Please [click here](#) for more information. Nominations are due by Nov. 7.



CAPITOL CORNER

[Read More](#)

- 100% 'Clean Energy' By 2040 Passes Senate
- Senate Dems Vote To Scrap Private Insurance Abortion Rider
- Water Can't Be Shut Off If You're Paying At Least \$10 A Month Under Bills
- Governor Not Excited About Spousal Disclosure But Won't Veto It

MEMBER NEWS

Marquette GMC Hosts Drive Cancer Out Fundraiser

Marquette GMC is offering an opportunity to drive more than cars off the lot this month. The dealership is in its fourth year of the Drive Cancer Out fundraiser. Cassandra Herman, assistant business manager, said the dealership has raised more than \$27,000 over the years of this event.

All money raised will be matched by the dealership, including a \$5 donation for every signed and displayed pink ribbon. The money will be split between five U.P. families currently undergoing cancer treatment

[Keep Reading](#)



In Memoriam: Connie Holzer

With sadness, we share that Connie Holzer, age 87, passed away unexpectedly on October 9, 2023 while in Italy.

In 1974, Connie and her husband Tom Holzer moved to Michigan and established Tom Holzer Ford in Farmington Hills. She was known in the Detroit area for writing and starring in dealership commercials, and was recognized in 2013 by WJR as a Women Who Lead Honoree. Upon Tom's death in 2006, Connie ensured the dealership continued to thrive and served as CEO and Dealer until it's sale in 2022.

Visitation was held this week. Those wishing to make a memorial contribution are asked to consider the Paul Smith Golf Classic (Benefiting Detroit Children's Charities) or Geshel Human Services (formerly known as JVS).

AROUND THE WEB



4 Tips for Creating Professional Service Videos that Get Results

Reynolds & Reynolds | With today's ever-changing industry, meeting customer expectations and providing a mobile-friendly service experience is more important than ever. One way to meet these demands is to use photos and videos to communicate the work being recommended. Simply put, this video should provide a quick explanation of what the service is and why it's important.

89% of people say watching a video has helped convince them to buy a product or service.

[Read More](#)

Acting with urgency against the cyber threats to auto dealers

Zurich | Cyber attacks on dealerships are becoming more and more prevalent and are costing hundreds of thousands of dollars, lost customers, and reputational damage. You probably already know of a dealership that has been victimized of this growing crime.

What is the risk, and why the urgency?

- 84% of car buyers said they would not return to a dealership whose data had been breached¹
- On an average day, 153 viruses and 84 malicious spam emails are blocked by technology on a dealership's network²

[Read More](#)

EDUCATIONAL OPPORTUNITIES



[ATD Show 2024 Education Lineup](#)

NADA & KPA (Nov. 1) [Navigating the Rising Tide: Unveiling the Rise in F&I Regulations](#)

Automotive News (Nov. 30 - Dearborn, MI) [Leading Women Conference](#). The theme of this year's program is "Shaping the Landscape," focusing on advancement of gender equity and representation in the industry, and opportunities of a multigenerational work force.

YOUTH EMPLOYMENT Q&A

Michigan's Wage and Hour Division together with the U.S. Department of Labor's Wage and Hour Division hosted a webinar to provide important youth employment information and answer questions for young job seekers, schools, parents and employers. [View the webinar](#) | [Download the presentation](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Huntington National Bank has been proudly supporting the auto dealers of Michigan for over 60 years. Huntington Auto Finance provides dealer partners with wholesale floorplan, real estate, acquisition, working capital, retail lending, and dealership banking solutions.

[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 36 years.

[Website](#)



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MADA Fast Facts



November 3, 2023

Vol. 25 | Issue 45

[View as Webpage](#)

NEWS FROM NADA

IRS Launches Clean Vehicle Credit Registration Portal

The Internal Revenue Service (IRS) has launched [IRS Energy Credits Online](#), a registration portal for sellers of new and previously owned clean vehicles eligible for federal tax credits.

Learn More on Nov. 6 at 1:00 pm >> [register for the NADA/IRS webinar](#)

The IRS will join with NADA to present a detailed webinar for dealers on how to use IRS Energy Credits Online.

Time of sales reports: Registering on IRS Energy Credits Online will enable sellers to create electronic clean vehicle sales reports beginning next month ([see IRS FAQ Topic I](#)). Sales reports must be provided in writing to eligible clean vehicle purchasers ([see IRS FAQ Topic J](#)).

Credit transfers: Registering on IRS Energy Credits Online will also facilitate the advance payment of tax credits for eligible clean vehicle sales that occur after Dec. 31, 2023 ([see IRS FAQ Topic H](#)). By transferring federal tax credits to the point of sale, buyer-taxpayers will be able to realize the value of those credits “up front” as reductions in the price of their eligible clean vehicle purchases.

Guidance on clean vehicle sales reporting and the credit transfer/advance payment process is set out in a new IRS Revenue Procedure and IRS Clean Vehicle Credit FAQs, both of which are available on [NADA's Clean Vehicle and Refueling Infrastructure Incentive webpage](#).

NEWSLETTER SPONSOR



Oct. 2023
Market

CAPTRUST specializes in providing auto dealers with investment advisory services, working as fiduciaries to their retirement plans, foundations, and endowments. Our advisors also provide comprehensive wealth planning services to families and executives. Servicing the MADA

MICHIGAN ELECTIONS

Secretary Benson Launches Early Voting Pilot for Nov. Election



Secretary of State Jocelyn Benson [announced](#) that a pilot of early voting began in several Michigan communities on Saturday, Oct. 28. The pilot is an opportunity for the Michigan Department of State, Bureau of Elections, and participating clerks to test, assess, and review early voting technology and procedures in advance of the 2024 presidential elections.

Twelve counties and municipalities volunteered to run early voting sites. Days and hours will vary depending on the jurisdiction. **Early voting will end at all participating sites by 5 p.m. Sunday, Nov. 5.**

[Participating Communities](#)

WAGE & HOUR

Michigan's Minimum Wage Set to Increase on Jan. 1, 2024

On January 1, 2024, [Michigan's minimum wage rate](#) will increase from \$10.10 to \$10.33 per hour as set by Michigan's Improved Workforce Opportunity Wage Act of 2018 which establishes the annual schedule of increases.

Effective January 1, 2024:

- The minimum hourly wage will increase to \$10.33 per hour.
- The 85% rate for minors aged 16 and 17 will increase to \$8.78 per hour.
- The tipped employee rate of hourly pay increases to \$3.93 per hour.

There is pending litigation that might affect this minimum wage increase. For information regarding the pending minimum wage litigation and potential amended minimum wage rates as a result of that litigation, or a copy of the Improved Workforce Opportunity Wage Act and related resources, visit Michigan.gov/WageHour.

Reminder! Daylight Savings Time

The first Sunday in November is when Daylight Savings Time ends in most areas of the U.S., so in 2023 we'll "fall back" one hour and return to Standard Time on Sunday, **November 5**, at 2 a.m. Be sure to set your clocks back one hour before bed Saturday night!



NADA DRIVEN GUIDES

NADA Issues Updated Driven Guides on Federal Tax Issues and Dealership Valuation



Dealers may be interested in two NADA Driven guides that were recently updated.

[A Dealer Guide to Federal Tax Issues](#)

The updated tax guide provides a primer on federal income tax topics affecting franchised new-car and truck dealers along with current federal income tax thresholds.

[A Dealer Guide on Dealership Valuation](#)

The valuation guide aims to help dealers and their advisors understand the process of valuing automobile and heavy-truck dealerships, as well as the various factors that influence dealership value.

Please see the Nov. 2 email from NADA for more information.



[Read More](#)

CAPITOL CORNER

- Solar Siting Amended To Require Local Gov Collaboration First
- “Clean Energy By 2040” Package Passes House
- Republicans Refuse To Vote On Steering Sales Tax To Fight Crime
- House Pumps Brakes On Financial Disclosure Bills
- Day 2 Of Redistricting Trial Brings Up Animosity Between Detroit, Suburbs
- O’Connell No Longer With General Motors

NEW REQUIREMENTS IN 2024

FTC's New Data Breach Reporting Rule and Implications for Dealerships

The Federal Trade Commission (FTC) has recently intensified its stance on consumer data protection by unveiling a significant amendment to the FTC Safeguards Rule. This directive, centered around data breach reporting, is of paramount importance to all dealerships across the country. The legal team at ComplyAuto has reviewed the published amendment and FTC comments.



Key Takeaways: Navigating the New Data Breach Reporting Landscape

For dealerships to stay ahead of the curve, understanding the crux of the new rules is essential:

- Mandatory reporting of breaches affecting 500+ customers.
- Required electronic reporting via an FTC-provided form.
- Emphasis on encrypted messaging tools and device hard drive encryption.
- Only breaches involving "unencrypted" data are reportable.
- A strict 30-day reporting window post breach discovery.
- Public disclosure by the FTC, with associated reputational risks.
- Full rule enforcement expected by mid-2024*.

Please [click here](#) to read the full article from ComplyAuto, with additional information on the following issues:

- Mandatory Reporting and Increased Accountability
- FTC's Unambiguous Position on Data Breaches
- Encryption: A Non-Negotiable Requirement
- Time-Sensitive Reporting and Public Disclosure Risks

Please also refer to NADA's dealer email from Oct. 31 for additional guidelines.

AROUND THE WEB



Using voice search? Use caution when asking for auto dial from a smart device

BBB Scam Alert | You need the phone number for a company, so you ask Alexa to find and dial it for you. But when the company's "representative" answers, the conversation takes a strange turn. They may demand on a wire transfer or remote access to your computer.

[Read More](#)



Price Edge Service Saves Members \$1 Million on Prescriptions in Four Months

Blue Care Network | Price Edge, a service that automatically finds the lowest price available on medications when members fill their prescriptions, has reached \$1 million in total member savings in just four months.

The Price Edge program is one component of Blue Care Network's ongoing efforts to help manage skyrocketing drug costs. Like coupon or travel apps that search and find the best deals, Price Edge scans and compares direct-to-consumer pricing with insurance pricing to give the best available price to members on select non-specialty, generic drugs.

MEMBER NEWS

Apprenticeship program offered by Monroe Dodge, MCCC, SEMCA Michigan Works

Three local organizations have partnered together to launch a first-of-its-kind apprenticeship program in Monroe County ahead of the ninth annual National Apprenticeship Week. The inaugural Automotive Tech Specialist Apprenticeship Program is offered through the nonprofit SEMCA Michigan Works in union with Monroe Dodge Superstore and Monroe County Community College.

The two-year program will give apprentices an opportunity to learn and develop skills through on-the-job training at the dealership combined with traditional college coursework. Apprentices are compensated at a competitive wage with no out-of-pocket expenses and can earn a national certification from the U.S. Department of Labor.

[Keep Reading](#)

EDUCATIONAL OPPORTUNITIES

SOS branch offices will be closed Nov. 10 in observance of Veteran's Day

ATD (Nov. 16) [Data Security Considerations for Heavy Duty Truck Dealers](#) Brad Miller will provide an overview of data security considerations

DADA & Kurt Berryman (Nov. 16 at 9am) [DADA "Q'd Up Live"](#) virtual legislative presentation with House Republican Leader Matt Hall.



OSHA COMPLIANCE WEBINAR

Annual Tier II Chemical Reporting



It is essential that dealerships keep track of the kinds of hazardous chemicals they have on-site, their respective amounts, and where they are located so that they can ensure the safety of their local communities. **Known as "Tier II Reporting," this report must be generated and reported to OSHA every year.**

To help dealers with their OSHA reporting requirements, MADA and ComplyAuto are offering a webinar to learn more about creating this report, what to report, and when to report. [Please register here.](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



AmeriLabs24 offers pre-employment, random, post accident & DOT drug testing. Also offer on-site drug testing, Hazmat, Twic & TSA pre-check interviews, background fingerprinting with Identogo. Collection site for blood work with Quest and Labcorp.

[Website](#)



Resources Management Group is a finance & insurance income development training agency representing Portfolio Reinsurance.

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MADA Fast Facts



November 10, 2023

Vol. 25 | Issue 46

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DEALER LICENSE AND BOND

Reminder: Renew Your Dealer License by Nov. 15

The Michigan Department of State requests that dealers have all dealer license renewal paperwork submitted through CARS e-Services by Wednesday, November 15. This includes the \$25,000 surety bond endorsement (rider).



Early renewal allows the state adequate time to review and process the license renewal and all related documents. In certain situations the state may need to follow up with the dealership and request additional information. Submitting your renewal paperwork by Nov. 15 ensures you have the ability to correct any potential errors prior to the license expiration.

Please contact MADA at (800) 292-1923 or email lduby@michiganada.org if you have questions about your renewal or bond.

NEWSLETTER SPONSOR



Kickstart
Your
Retirement
Savings

CAPTRUST specializes in providing auto dealers with investment advisory services, working as fiduciaries to their retirement plans, foundations, and endowments. Our advisors also provide comprehensive wealth planning services to families and executives. Servicing the MADA for more than 30 years, CAPTRUST oversees 46 MADA member plans and more than \$400 million of MADA member assets.

NEWS FROM NADA

Deadline to Submit EEO-1 Data Collection is December 5



The U.S. Equal Employment Opportunity Commission (EEOC) announced the opening of the 2022 EEO-1 Component 1 data collection [due Tuesday, Dec. 5, 2023](#). The EEOC requires dealerships with more than 100 employees to file annually an Employer Information Report ([EEO-1 Report](#)).

The EEO-1 Report asks for the number of employees sorted by job category, race, ethnicity and gender. Dealerships must also display an “EEO is the Law” [poster](#). EEO-1 Component 1 data collection is typically collected annually in the spring; however, it was delayed due to a mandatory, three-year renewal of the EEO-1 Component 1 data collection by the Office of Management and Budget (OMB) under the Paperwork Reduction Act.

- [Facts Sheet: Who Must File?](#)
- [EEO-1 Website with FAQs and other guidance](#)

IRS Offers Office Hours on Energy Credits Online Registration Portal for Clean Vehicle Tax Credits

The Internal Revenue Service (IRS) is offering office hours to assist dealers/sellers with [Energy Credits Online registration](#). During these office hours, IRS experts will walk through and answer questions on the registration process.

[Dealership staff responsible for federal clean vehicle tax credits should consider registering for one or more of the one-hour sessions listed below](#). Additional sessions are expected to be added in November.

IRS Energy Credits Online office hours offered:

- [Monday, Nov. 13, 11am-12noon EST](#)
- [Monday, Nov. 13, 2-3pm EST](#)
- [Wednesday, Nov. 15, 11am-12noon EST](#)
- [Wednesday, Nov. 15, 2-3pm EST](#)
- [Thursday, Nov. 16, 11am-12noon EST](#)
- [Thursday, Nov. 16, 2-3pm EST](#)

NADA will also [host a webinar](#) for **Monday, Nov. 20** on the federal Clean Vehicle Tax Incentives.

Michiganders: Help Name a Turkey to be Pardoned

Governor Gretchen Whitmer invites Michiganders to submit names for the second turkey that she will pardon since taking office. The winning name will be announced Monday, November 20.



There is no limit to the number of suggestions you can make.

FROM THE MDOS NEWSLETTER

Dealer Plate Responsibility and Replacement

The Michigan Department of State Business Compliance and Regulation Division reminds dealers to monitor their annual allotment of dealer plates. All dealers are responsible for the security of the plates issued to the dealership. This includes knowing who has the plates, where those plates are located, and for what the plates are being used. **If a dealer needs to replace lost or stolen plates, a police report must be filed before the replacement request will be approved.** A copy of the police report must also be submitted along with the replacement plate request. (A police report helps protect the dealer if a stolen plate is later used during criminal activity, or involved in an accident.)

If a dealer has trouble filing a police report, please contact the Business Licensing Section at Licensing@Michigan.gov for assistance. For additional information on the proper and improper use of dealer plates, see [Chapter 1 \(Sec. 1-14\) of the Dealer Manual](#).



[Read More](#)

CAPITOL CORNER

- Legislature Adjourns Before December For First Time In 55 Years
- Prop. 1 Financial Disclosure Bills Shipped Off To Whitmer's Desk
- Unions Pick Up Assorted Wins On Last Session Day
- Transportation Commission Approves \$15.8B 5-Year Plan From MDOT

COX AUTOMOTIVE

New-Vehicle Inventory Rose Through October Despite UAW Strike



Despite UAW strikes at several plants throughout the month, new-vehicle inventory at the start of November was even higher than in early October, according to Cox Automotive's analysis of vAuto Available Inventory data.

The UAW and Detroit automakers have reached tentative contracts and settled the strike. Workers are back on the job as they vote on new contracts.

The total U.S. supply of available unsold new vehicles climbed to 2.40 million units.

That is up 62%, or 919,000 units, from the same time a year ago. Inventory numbers include vehicles available on dealer lots and some in transit.

Days of supply climbed to 67 at the start of November, up from 60 at the start of October. Inventory, measured as days' supply, was 41% higher than the same timeframe from one year ago. Days' supply was last in the 60s, once considered normal and ideal, in March 2021...

[Keep Reading](#)

AROUND THE WEB



Best Way to Extinguish a Flaming Electric Vehicle? Let It Burn

WSJ | Electric cars combust differently than their gas-powered counterparts. Firefighters and researchers said EV fires last longer, are harder to put out and have a tendency to reignite.

First responders in Franklin, Tenn., faced their first burning EV in September, a Nissan Leaf that ignited while charging outside the car maker's North America headquarters. They spent hours pouring 45,000 gallons of water on the car...

[Read More](#)



Decades later, three classic Michigan license plates will return

MLive | Two years after Michigan resurrected its classic "Water-Winter Wonderland" license plate, three more retro plates will return as options for drivers.

Plates include a new version of Michigan's 1976 U.S. bicentennial plate, revamped for the 250th anniversary in 2026...

[Read More](#)

MEMBER NEWS

Shelter of Flint partners with Applegate Chevrolet for Homelessness Awareness Month

Shelter of Flint, a leading non-profit organization dedicated to providing safe housing, independence, and stability to those experiencing homelessness, has announced a partnership with Applegate Chevrolet to kick-start Homelessness

Awareness Month.

Beginning Friday, Nov. 3, and continuing throughout the month of November, Applegate Chevrolet will host a "Fill-A-Car" promotion at its dealership located at 3637 S. Saginaw St. in Flint.

The collaboration aims to raise awareness about homelessness and make a positive difference in the lives of those who are without shelter during the colder months.

Keep Reading

Randy Wise building new Toyota dealership in Grand Blanc Township

The Toyota portion of Randy Wise Motorcars is moving to a new location a short distance away in Grand Blanc Township. The dealership hosted a groundbreaking on Thursday to celebrate the start of construction on a new Randy Wise Toyota facility at 8430 Holly Road near Cook Road.



"Randy and I are so excited for this new venture. We have outgrown our current location and look forward to serving our expanding customer base at our new dealership (hopefully) next fall," said Chris Wise, vice president of Randy Wise Automotive Team.

Keep Reading

EDUCATIONAL OPPORTUNITIES



SOS branch offices are closed Nov. 10 in observance of Veteran's Day

ATD (Nov. 16) [Data Security Considerations for Heavy Duty Truck Dealers](#) Brad Miller will provide an overview of data security considerations

DADA & Kurt Berryman (Nov. 16 at 9am) [DADA "Q'd Up Live"](#) virtual legislative presentation with House Republican Leader Matt Hall.



NADA (Nov. 17) [Be Recognized by EPA as the First ENERGY STAR Certified Dealership](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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 Colombo & Colombo for litigation matters as well as advice on matters involving the legal aspects of operating a dealership. Our experience makes the difference.

[Website](#)



Rehmann has provided one-on-one financial services to businesses throughout Michigan since 1941. Offering a specialized team of business consultants, corporate investigators, tax service providers & dealership CFOs who understand the unique needs of auto dealers.

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November 17, 2023

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As we approach the Thanksgiving holiday, we take a moment to express our gratitude for each of our members. We appreciate your continued support and participation, which has played a significant, positive role in the success of this association.

In celebration of the holiday, the MADA office, as well as SOS branch offices, will be closed on Nov. 23 and 24. There will be no *Fast Facts* newsletter next week.

Thank you again for your membership and involvement. We wish you a joyful Thanksgiving filled with family, friends and lasting memories.

Join us for important legal, regulatory and licensing updates
plus a presentation from NADA Chief Economist, Patrick Manzi PhD,
with his outlook for the automotive and franchised dealership industries.

[REGISTER](#)

MADA ANNUAL MEETING
December 13, 2023 / 10:00 am

WEDNESDAY, DECEMBER 13

Register Today for the MADA Annual Meeting

As the year draws to a close, it's time to mark your calendars for the MADA Annual Meeting. Registration is now open for this **virtual** event, offering insights and updates that will shape the upcoming business landscape.

Economic and Industry Outlook:

Gain crucial insights from industry expert Patrick Manzi, PhD, NADA's chief economist, who will analyze the economic climate and forecast trends that will impact our businesses in the coming year. Understand key drivers, challenges, and opportunities that lie ahead.

Legal and Regulatory Updates:

Stay abreast of the latest legal and regulatory changes affecting our industry. Eric Bowden with Colombo & Colombo, P.C. will offer a brief legal overview, ensuring you have the knowledge to maintain compliance in this ever-changing regulatory environment.

Association and Legislative Updates:

Hear what your association and board of directors are working on to support our members and advocate for the interests of our industry.

Date: Wednesday, December 13

Time: 10:00 am

Virtual: [Zoom registration link](#)

Open to dealers and dealership staff, plus invited sponsors and guests

Please join us as we plan for business changes in 2024!

NEWSLETTER SPONSOR



Kickstart
Your
Retirement
Savings

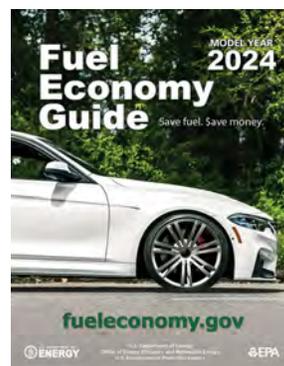
CAPTRUST specializes in providing auto dealers with investment advisory services, working as fiduciaries to their retirement plans, foundations, and endowments. Our advisors also provide comprehensive wealth planning services to families and executives. Servicing the MADA for more than 30 years, CAPTRUST oversees 46 MADA member plans and more than \$400 million of MADA member assets.

2024 FUEL ECONOMY GUIDE

Federal Law Requires Dealers to Provide the *Guide* to Customers Upon Request

The U.S. Department of Energy (DOE) and the U.S. Environmental Protection Agency (EPA) have released the *2024 Fuel Economy Guide*.

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 car buyers have ready access to fuel economy information for current model year vehicles.



Links and resources:

- [View the 2024 Fuel Economy Guide](#)
- [View the DOE/EPA letter for dealers](#)
- [Poster to display \(optional\)](#)

The online *Guide* will be updated periodically to include newly released vehicle models and current fuel cost estimates.

ASSOCIATE MEMBERS RENEWED FOR 2024

MADA offers associate membership to a select group of companies that support the automotive industry in Michigan and specialize in service to automotive dealerships. When reviewing your vendor relationships, please consider these companies, which have continued their membership with MADA into 2024.

Associate Members Renewed in November

- Armatus Dealer Uplift
- Newtech Dealer Services
- Painters Supply & Equipment

We give special thanks to our associate members with 10+ and 20+ years of support for MADA and our members!

20+ years of membership with MADA

- ADESA
- Dealers Resources Inc.
- Huntington National Bank
- Lewis & Knopf, P.C.
- MADSIF

10+ years of membership with MADA

- Bank of America, N.A.
- Dawda Mann, Counselors At Law
- iAAWG Midwest Sales Division

FOUNDATION FOR A SUCCESSFUL BUSINESS

Mentoring Matters

By Larry Edwards, Edwards & Associates Consulting, Inc.

A mentor is someone who can provide guidance, direction, bounce ideas off, and help foster individual growth. Managers should assign a mentor to every employee within their department. Mentors should be available to answer questions, and help the employees learn how to do their job better. In the Navy I worked in the engine room of a ship. We had an Officer and a Chief, but we also had group leaders. These were the mentors to the personnel in that group. Mentors helped relieve the chief from having to answer hundreds of questions each day. The mentor was there to answer your questions and if they could not answer your questions they would take it to the Chief. Mentors were also responsible for making sure we were up to date with our on-going training. They made sure we were taking classes and

studying the materials that the Navy required.

Successful companies assign mentors to every position within the company. Additionally, they write job descriptions for the mentors with specific expectations. They then make sure the mentors live up to these expectations every day.

Keep in mind that even your most junior employees deserve meaningful access to a mentor who can answer their questions and guide them on how to be successful in their positions. Employees deserve meaningful access to a mentor who sees how they work, to understand the company's expectations and most importantly to learn by "osmosis."

Assigning employees to mentorship positions is also a great way to identify future leaders. It allows managers to observe how seriously mentors take their responsibilities and how they interact with and motivate their assigned employees...

[Keep Reading](#)



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CAPITOL CORNER

- Kildee Not Seeking Re-Election
- Candidates Most Likely To Run In MI-8
- Why Are Michigan's Car Insurance Rates Still So High?
- Unemployment Jumps to 4.1% During October Union Strikes

JUST FOR FUN...

'Tis the Season to Explore Pure Michigan

Looking for a unique activity with the kids during the upcoming holiday breaks? Or maybe you're planning a weekend getaway for two?



Pure Michigan offers a calendar of events around Michigan, searchable by activity type and region. Whether you are interested in a Christmas lights experience, food & drink events, shopping at an artisan market or seasonal tours, a new Michigan adventure awaits!

[Calendar of Events](#)

AROUND THE WEB



The most important retail automotive trends to monitor for 2024

CBT | Patrick Manzi, chief economist at NADA, joins Inside Automotive to discuss the latest trends influencing the retail automotive sector as it prepare for Q4 and beyond.

[Read More](#)

[Register for the Dec. 13 MADA meeting to hear more from Patrick Manzi](#)

Automotive News

Federal judge: Dealerships, not insurers, liable for vehicles stolen with fake identities

Automotive News | Two Louisiana dealerships aren't entitled to coverage under their cyber policy for losses arising from the theft of five vehicles through identity fraud, a federal judge has ruled.

The judge cleared two insurers of liability for claims made by Benoit Ford and Benoit Nissan, which contended they were victims of a criminal scheme.

The dealerships in 2020 developed a "touchless purchasing procedure" to alleviate the impact on salesroom visits during the COVID-19 pandemic.

[Read More](#)

MEMBER NEWS

Serra Automotive's Roadmap to Success

Fifty years after Al Serra opened the doors of his first Chevy store in Grand Blanc, his customer-first philosophy – “Take care of the customer, take care of the associates, and the rest will take care of itself” – is still alive and thriving in Michigan and across the nation.



Serra Automotive is now ranked No. 6 in the country among privately held retail automotive groups, according to Automotive News. They employ over 3,000 people in seven states and manage a network of 54 dealerships, 66 automotive franchises, and 25 brands. That success has been possible thanks to Al Serra's solid formula for growth, customer service, and team development, said his son Joe Serra, who purchased the business in 2000 and now serves as company chairman.

[Keep Reading](#)



Seelye Auto Group Celebrates 60 Years

Founded by Mickey Seelye's grandfather, Donald Seelye, in 1963 in Kalamazoo, the Seelye Auto Group has been selling cars in Southwest Michigan for 60 years.

The auto group, which also operates dealerships in Battle Creek and Paw Paw, celebrated six decades in business Thursday, Nov. 16, by opening its new upgraded Kia showroom and service center in Kalamazoo. The new service center/showroom, 4102 Stadium Drive, is the first dual project of its kind and size in the country, according to Kia representatives.

[Keep Reading](#)

SOS Dearborn Branch Closure

The Dearborn branch will be closed Dec. 11 - 15 for remodeling. It is expected to reopen for business Dec. 18.

EDUCATIONAL OPPORTUNITIES

Michigan Wage and Hour *with* U.S. DOL Wage and Hour (on demand) [Webinar focusing on minimum wage](#) | [presentation slides](#)

Plante Moran (Nov. & Dec.) [2023 Year-End Webinar Series](#) Learn what's now, new, and next in tax, audit, employee benefit plans, business combinations, and cybersecurity.

Dealership Team Growth and Performance Seminar

This forum from Zurich focuses on driving the performance of your teams and building a stronger culture, ultimately developing the next generation of leaders to support your organizational growth and expansion. [Learn More](#)



HIGHLIGHTING OUR ASSOCIATE MEMBERS

KeyBank



[Website](#)

Key Bank provides deposit, lending, cash management and investment services to individuals and small and mid-sized 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.



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Website

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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December 1, 2023

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plus a presentation from NADA Chief Economist, Patrick Manzi PhD,

with his outlook for the automotive and franchised dealership industries.

[REGISTER](#)

MADA ANNUAL MEETING

December 13, 2023 / 10:00 am

MEMBER PROGRAM FOR DEALERS AND STAFF

Year-end Association Meeting with Outlook on the Automotive and Franchised Dealership Industries

Wednesday, December 13 at 10:00 am > > [Zoom registration link](#)

As the year draws to a close, it's time to begin planning and preparing for the new year. Please join us for this virtual event, offering insights and updates that will shape the upcoming business landscape, plus reminders about operational changes coming January 1st.

AGENDA

10:00 am | Introductions

10:15 am | Guest speaker

- *Dr. Patrick Manzi, NADA Chief Economist*

11:00 am | Updates, including, legal, regulatory, MADPAC and association

This program is open to dealers and dealership staff, plus invited sponsors and guests. More information is available on the [MADA website](#).

NEWSLETTER SPONSOR



Reynolds and Reynolds offers the industry's only Retail Management System to help dealerships manage every area of operation. Whether it's signing F&I documents, upselling in a virtual environment, or recommending

CLEAN VEHICLE ENERGY CREDITS

IRS Requests Dealer Registration in Early December

Dealers who sell "clean vehicles" **must** sign up with the new IRS Energy Credits Online tool in order to register and report clean vehicle sales that occur on or after January 1, 2024. Reporting clean vehicle sales through this new portal will be necessary for buyers to be eligible for the clean vehicle tax credit.

- [See this IRS webpage](#) for more details and the registration link.

IRS Energy Credits Online also allows licensed dealers to register and receive advance payments to offset the amount of a tax credit that was applied toward a customer's purchase price. (Dealers are reminded that advance payments become effective for qualifying vehicles purchased on or after January 1, 2024.)

To ensure that all your registration paperwork is in order, the IRS highly recommends that dealers register in early December. Bank account information and tax filing information must be validated, which takes time to review, especially with many businesses registering. Early registration provides the IRS adequate time to review and process a dealership's information. Dealerships will not be eligible for the advance payments until the IRS approves the required business information.

Resources for Dealers

Clean Vehicle and Refueling Infrastructure Incentives

NADA has hosted multiple webinars to help dealers understand the registration process and the 2024 reporting procedures. Please see the links below for more information.

- Online toolkit: <https://www.nada.org/ev-incentives> (NADA login required)
- Nov. 6 webinar hosted by NADA and the IRS: [Treasury Clean Vehicle Tax Credits Update](#) – detailed discussion on how to use IRS Energy Credits Online.
- [Slide deck from the above webinar](#)

If you have additional questions you may reach out to James Fackler at MADA. Call (800) 292-1923 or email jfackler@michiganada.org.

MADA Preferred Partner Spotlight: LegalShield

With over 50 years in business and over 40,000 corporate clients in the US, LegalShield can help keep your employees' minds and bodies on the job. Many dealerships have already brought in the Legal and Identity Theft Plans for their

staff. There is no fee to your dealership to make these services available to your employees.

LEARN MORE: [Employee cost and coverage](#) | [Value to dealers](#)

Please contact our Preferred Partner's dedicated representative, Kelly Timmons, to learn how these valuable benefits will help **retain employees and positively impact your bottom line**.

Kelly Timmons | Benefit Specialist, LegalShield
phone (773) 467-6165 | email kellytimmons@lsbenefits.net



Wondering if employees' personal legal and identity theft problems **affect their work performance?**

34%

admitted being distracted at work because of their legal issues, and 30% had taken time off to deal with them.

59%

of victims of identity theft admitted to being distracted at work, and 44% took time off to deal with it. *

Offering legal services, financial monitoring, identity protection and restoration benefits can **reduce employees' stress and improve job performance**. Less stress and more security can result in higher employee satisfaction and retention.

YEAR-END REMINDERS

Obsolete 2023 Tabs Must Be Returned By Jan. 20, 2024

We have reached another December! (How did we get here so quickly?) As dealers begin to close out the year, MADA will add a few year-end and new-year reminders to *Fast Facts*. This week, we remind CVR dealers to begin returning obsolete 2023 tabs.

- Please see this [handout](#) from the CVR Warehouse with steps to return unused inventory and properly mark 2023 tabs as obsolete.
- [Who to contact](#) if you have questions about CVR, plus SOS holiday closures for your 2024 calendar.

Review the steps above and remember to mark the 2023 tabs as OBSOLETE in inventory. This is an important step, as the 2023 tabs will remain in your inventory if they are not marked obsolete.

Inventory returns should be mailed, **using a trackable shipping method**, to:

CVR Returns ~ 1500 Kendale Blvd ~ East Lansing, MI 48823 **or**

CVR Returns • PO Box 2525 • East Lansing, MI 48826-2525

SPECIAL NOTE: do not return tabs to MDOS and do not mail them with title and

NEWS FROM NADA

EEO-1 Component 1 Data Collection



The U.S. Equal Employment Opportunity Commission (EEOC) recently announced the opening of the 2022 EEO-1 Component 1 data collection, which is **due Tuesday, December 5, 2023**. The EEOC requires dealerships with more than **100 employees** to file annually an Employer Information Report (EEO-1 Report), which asks for the number of employees sorted by job category, race, ethnicity and gender. Dealerships must also display an “EEO is the Law” **poster**. Visit the dedicated **[EEO-1 Component 1 website](#)** for more information

ATD Dealer Attitude Survey

the 2023 ATD Dealer Attitude Survey is **open until December 8**. Truck dealers were sent a link and instructions to complete the survey from atd@atdsurvey.org. The information that truck dealers provide is vital for ATD to effectively communicate important dealer issues to suppliers. If you need the survey link, please contact Kimberly Carey at kcarey@nada.org. Survey-related questions should be directed to atd@atdsurvey.org.



CAPITOL CORNER

Keep
Reading

- 2023: Fewest Unanimous House Votes Since 1849
- How 'Bout Gov or U.S. Sen. Pete?
- Son Sues To Get Dad's 'Go Blue' License Plate Back
- Aiyash Going On Hunger Strike
- 'Mayor Pete' Compares Gas-Powered Vehicles To Rotary Phones

AROUND THE WEB



Can you deduct 2024 bonuses this year?

Lewis & Knopf, CPAs, P.C. | You may be familiar with the rule that permits a business to deduct employee bonuses this year if it pays



Businesses must electronically file Form 8300, Report of Cash Payments Over \$10,000, beginning January 1, 2024

Fenner Melstrom & Dooling, PLC | The Internal Revenue Service today announced that starting Jan. 1, 2024, businesses are required to electronically file (e-file) Form 8300,

them within 2½ months after the end of the tax year. It's an attractive year-end planning technique that benefits your business and your employees: You enjoy a tax deduction this year, while your employees needn't...

[Read More](#)

Report of Cash Payments Over \$10,000, instead of filing a paper return. This new requirement follows final regulations amending e-filing

[Read More](#)

MEMBER NEWS

Food DRIVE Challenge

For nearly 100 years, the **Snethkamp Automotive Family** has been a leader in the communities in which it operates. Snethkamp holds a friendly competition between its two Metro Detroit locations to maximize the impact they can make for families in need. For the 5th Annual Food DRIVE Challenge, Snethkamp Automotive again partnered with Gleaner's Community Food Bank of Southeastern Michigan.



Throughout Southeast Michigan, there are more families than ever in need of a helping hand this holiday season. In 2022 alone the dealership provided almost 400,000 meals to people in need. Since starting this annual tradition, nearly 700,000 meals have been provided to people in the community that struggle with food insecurity.

Dealership and Community College Partner to Offer New Apprenticeship Program

Washtenaw Community College (WCC) in Ann Arbor received approval from the U.S. Department of Labor (USDOL) to launch an automotive service technician apprenticeship program in partnership with **Toyota & Subaru of Ann Arbor**. This initiative is the first of its kind in the region, and opens the door for WCC to develop similar apprenticeship programs with other companies for any USDOL approved occupation.

“Our partnership with WCC will continue to serve their mission of making a positive difference in people’s lives through accessible and excellent educational programs and services,” said Michael Spiegl, dealer principal at Toyota & Subaru of Ann Arbor.

The apprenticeship program, lasting two years, allows participants to earn a living wage that increases as they acquire new skills. Apprentices will undergo 2,000 hours of annual on-the-job training at either Toyota or Subaru of Ann Arbor and are

required to complete five classes as part of the automotive service technician certificate at WCC.

Keep Reading

SOS Dearborn Branch Closure

The Dearborn branch will be closed Dec. 11 - 15 for remodeling. It is expected to reopen for business Dec. 18.

EDUCATIONAL OPPORTUNITIES

Plante Moran (Nov. & Dec.) [2023 Year-End Webinar Series](#) Learn what's now, new, and next in tax, audit, employee benefit plans, business combinations, and cybersecurity.

UHY (Dec. 6) [Annual Tax Update](#) Best tax planning strategies to help you capitalize on tax deductions and credits.

Dealership Team Growth and Performance Seminar

(Dec. 11 - 14) This forum from Zurich focuses on driving the performance of your teams and building a stronger culture, ultimately developing the next generation of leaders to support your organizational growth and expansion.



Topics include: Motivating Teams and Reducing Turnover, Developing and Communicating Your Vision, Coaching for Higher Performance, Succession Planning for Growth, Enterprise Risk Management – Theft/Fraud/FTC, Best Practices Roundtable [Learn More](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Serving Michigan dealerships for more than 75 years, Lewis & Knopf CPAs, P.C. offers accounting, assurance, and business consulting services.

Website



Diversified Members Credit Union is located in Detroit, MI. We are a full service financial institution that has continuously operated for 92 years.

Website

Supporting Michigan's franchised dealers for more than 100

MADA Fast Facts



December 8, 2023

Vol. 25 | Issue 49

[View as Webpage](#)

Join us for important legal, regulatory and licensing updates

plus a presentation from NADA Chief Economist, Patrick Manzi PhD,

with his outlook for the automotive and franchised dealership industries.

[REGISTER](#)

MADA ANNUAL MEETING

December 13, 2023 / 10:00 am

HOPE TO SEE YOU (VIRTUALLY) WEDNESDAY!

The MADA Annual Meeting Is a Great Opportunity for Dealers and Staff To Get a Quick Update for the Coming Year

Wednesday, December 13 at 10:00 am > > [Zoom registration link](#)

Please join us for this virtual event, offering insights and updates that will shape the upcoming business landscape, plus reminders about operational changes coming January 1st. [Preregister to receive an email confirmation with link to add the date to your calendar.](#)

AGENDA

10:00 am | Introductions

10:15 am | Guest speaker

- *Dr. Patrick Manzi, NADA Chief Economist*

11:00 am | Updates, including, legal, regulatory, MADPAC and association

This program is open to dealers and dealership staff, plus invited sponsors and guests. More information is available on the [MADA website](#).

PLATINUM SPONSORS



NEWSLETTER SPONSOR



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Reynolds and Reynolds offers the industry's only Retail Management System to help dealerships manage every area of operation. Whether it's signing F&I documents, upselling in a virtual environment, or recommending service work to off-site customers, only Reynolds helps you streamline operations to improve efficiency and maximize every profit opportunity.

NEWS FROM NADA

NADA Applauds Congressional Efforts to Stop EPA's EV Mandates



NADA has applauded Congressional efforts to enact a provision included in the Fiscal Year 2024 Interior-Environment Appropriations bill to prevent taxpayer funding from being used to finalize, implement, administer or enforce the EPA's proposed emissions standards that would effectively require 67.5% of all new vehicles sold be fully electric by 2032. On Wednesday, [223 Members of Congress](#) (35 Senators and 188 Members of the House) publicly released a [letter](#) to House Speaker Mike Johnson (R-La.) and Senate Republican Leader Mitch McConnell (R-Ky.) urging enactment of language to impose a one-year stay on the EPA using funds to finalize or implement its unrealistic 67.5% EV mandate. The bill also includes language stopping EPA's "Phase 3" heavy-duty truck rule (Zero Emission Vehicle Mandates) for one year.

Leaders from Michigan who signed the letter:

Rep. Jack Bergman (R) | Rep. Bill Huizenga (R) | Rep. John James (R)

Rep. Lisa McClain (R) - Lead | Rep. John Moolenaar (R) | Rep. Tim Walberg (R)

Headlines from the IRS

Dec. 6 | [IRS expands work on aggressive Employee Retention Credit claims](#); 20,000 disallowance letters being mailed, more action and voluntary disclosure program coming

Dec 1 | [Treasury, IRS provide guidance for those who manufacture new clean vehicles](#)



YEAR-END REMINDERS

Dealer Plate Reminders

Renewal tabs for your dealer plates. MDOS continues to process and mail new dealer-plate tabs when dealers renew their license, and for those dealers with a multi-year dealer license. It is normal for these to arrive in January and into February of the new year.

- Previous-year tabs for dealer plates remain active through the last day of February (Feb. 29, 2024).
- Tabs are plate specific. The number on the tab must correspond with the dealer plate number.
- Also remember to keep a record of your dealer plates, listing where they are located and who they may be assigned to.

On a related note, please also check the state's website at

<https://dsvsesvc.sos.state.mi.us/TAP/> / under "Business Services >> Dealer Services" to make sure your dealer license is renewed. We have found that a few dealers were unaware there is a "hold" on their renewal paperwork.

Replacing missing or stolen plates. The Secretary of State requires that a police report be filed and a copy of that report be submitted when requesting replacement dealer plates. This applies to plates that are known to be stolen, or simply missing and cannot be found. This helps protect the dealer if a vehicle with that stolen/missing plate is later used during a crime, or even driven through toll roads or construction sites that capture plate numbers.

- Missing or stolen plates can be reported through your CARS e-Services account (preferred method) or complete [form AR-0036](#).
- Once approved and mailed, replacement dealer plates and the accompanying tabs may arrive in separate packages, on different days.
- Please also keep in mind that once the plate is reported as missing, it cannot be used again if "found" in a desk drawer (or elsewhere) at the dealership.

Replacing damaged plates. If a dealer plate is damaged beyond use, the dealer can take it to the local branch office and request a replacement. The replacement will be processed then mailed to the dealership. There is no fee to replace a damaged plate, and no police report is required in this instance since the dealer is still in possession of the plate being replaced.

Inaugural FTC Safeguards Board Report Due By Year's End

The Federal Trade Commission's (FTC) Federal Safeguards Rule requires that the board of directors or an equivalent governing body of the financial institution must receive an annual report on the status and effectiveness of the institution's information security program and other material matters relating to Safeguards Rule Compliance.

(i) Require your Qualified Individual to report to your Board of Directors

<https://www.ftc.gov/business-guidance/resources/ftc-safeguards-rule-what-your-business-needs-know>

Your Qualified Individual must report in writing regularly – and at least annually – to your Board of Directors or governing body. If your company doesn't have a Board or its equivalent, the report must go to a senior officer responsible for your information security program. What should the report address? First, it must include an overall assessment of your company's compliance with its information security program. In addition, it must cover specific topics related to the program – for example, risk assessment, risk management and control decisions, service provider arrangements, test results, security events and how management responded, and recommendations for changes in the information security program.

Read more: MADA Partner CompyAuto also offers [this information](#) on your FTC reporting requirement.



Keep
Reading

CAPITOL CORNER

- Irwin Most Liberal Senator Second Year In Row; Hoytenga Most Conservative
- Survey: GOP Activists Find Karamo Not Effective, MIGOP Lacks Money To Host Convention
- Michigan's Unique Drug Immunity Statute Is No More
- Hill Gets Second Democratic Challenger

AROUND THE WEB



Shared from
Fisher Phillips

Workplace Law Update: 10 Essential Items on Your December To-Do List

It's hard to keep up with all the recent changes to labor and employment law, especially since the law always seems to evolve at a rapid pace. In order to ensure you stay on top of the latest changes and



Dealerships Losing Ground to General Repair Shops as Costs and Visit Frequency Increase

Cox Automotive | New research released by Cox Automotive on the U.S. vehicle service industry shows that franchised dealerships continue to lose share to general repair shops. In the latest report – *Under the Hood: Opportunities and Challenges in the Service Industry* – franchised dealerships are shown to

have an action plan for compliance, here is a quick review of the latest developments we tracked in November and a checklist of the essential items you should consider addressing in December and beyond.

[Read More](#)

retain their position as the industry's top service provider but have lost ground to service chains (e.g., quick lube locations, tire service centers.) In 2023, dealerships accounted for 30% of all service visits in the U.S., down from 35% in 2021.

[Read More](#)

MEMBER NEWS

Kalamazoo Dealership Matches Donations Given to Local Nonprofit

Local nonprofits have been keeping busy making sure families and those in need get the resources they need for this holiday season. Kalamazoo Loaves and Fishes received a record donation at this year's Maple Hill Holiday Parade, which organizers say has been a significant help in aiding with record high demand.

The nonprofit received more than \$3,700 in parade donations this year, and after **Maple Hill Auto Group** matched that figure, it brought the grand total to more than \$7,500. Donations were especially important this year, as the organization said it has seen a 60% rise in families needing help compared to last year.

[Keep Reading](#)

Friendly Competition in the U.P. Provides Gifts to Children

The Annual Michigan State Police Post 82 "Stuff the Blue Goose" has wrapped up its 2023 campaign to help make Christmas brighter and more joyful for those less fortunate in the area.



Rodenroth Motors, Fernelius Hyundai and Soo Motors in Sault Ste. Marie along with O'Connor's in Pickford all had a shiny blue MSP patrol car in their showrooms that need to be stuffed with unwrapped, new toys.

Trooper Michael Mariuzza, from MSP Post 82, says while there is a competitive nature to this event, all four dealerships have one goal in mind. "This event is important because it collects toys and gifts for area children and families in need. All donations received also stay in the local area. It is great the area dealerships help participate with this event. We cannot thank them enough for giving up floor space in their showrooms for the patrol vehicles and their help collecting the toys and

donations," Mariuzza said.

Keep Reading

EDUCATIONAL OPPORTUNITIES

On Demand from NADA:

- WEBINAR: [Reporting "Security Events" \(FTC\)](#)
- WEBINAR: [Clean Vehicle Tax Credits \(IRS\)](#)

On Demand from Michigan Treasury

Hear what both Individual Income Tax AND Business Tax filers need to know for the upcoming 2024 tax season. Important topics include tax rate changes, tax credits, retirement tax, the Sales, Use & Withholding (SUW) annual filing deadline reminder, electronic filing options...[listen now](#)

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

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



Website

Federated Insurance® provides industry-specific insurance products and risk management resources. Local marketing representatives can help businesses create the insurance program that fits their needs.



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Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



December 15, 2023

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[View as Webpage](#)

STOLEN WYOMING TITLE STOCK

Blank Titles Have Been Used in Colorado, May Be Found Elsewhere

The Wyoming Department of Transportation has warned residents of potential fraudulent titles after blank Wyoming title stock was stolen.

Some of these blank titles, which have **control numbers ranging from 8790001 to 8790500**, have been used for criminal purposes in Colorado. The control numbers are located at the lower right side of the title in silver print with a security box around the number. On the lower left side of the title will be marked "MV-301 (4/21)" with a round silver security seal to the right of the text.



The stack of blank titles, totaling about 500, were stolen sometime after May 1, 2023. These titles could be used for fraudulent purposes. If titles with any of these control numbers are found, please contact the Compliance program at 307-777-3840.

WY DOT press release

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"A Personal Commitment"

Learn More

NEWSLETTER SPONSOR

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. DRI provides a wide range of superior F&I products, training classes, and various reinsurance structures focused around the needs of the individual dealer or dealer group.

TOPIC TO KEEP ON YOUR RADAR

Gov. Whitmer Proposes “MI Vehicle Rebate” Plan

Dealers may have read about Governor Whitmer's “MI Vehicle Rebate” plan, announced Wednesday, to lower vehicle prices and boost NEW vehicle sales in Michigan. **While this is an exciting prospect for consumers, it is not currently in effect and will require legislative funding before anything moves forward.**

The proposed rebate will lower the cost of a new electric, hybrid, or traditional vehicle between \$1,000 and \$2,500 per vehicle, which could save Michiganders up to \$10,000 when combined with federal incentives. Michiganders could receive the tax rebate on new vehicles under four categories:

- \$2,500 on a new battery electric or hybrid vehicle manufactured in a facility where the workers are represented by an automotive union.
- \$2,000 on a new battery electric or hybrid vehicle.
- \$1,500 on a new internal combustion vehicle in a facility where the workers are represented by an automotive union.
- \$1,000 on all other new internal combustion vehicles.

In the upcoming State of the State address, Governor Whitmer will **ask the legislature to allocate \$25 million to fund the MI Vehicle Rebate program**. The MI Vehicle Rebate does not apply to used vehicles.

Again, we remind dealers that this is only a proposal at this time. The Michigan Legislature first needs to review and discuss the proposal. These potential rebates are not currently available to customers and they require legislative approval to proceed.

MADA, DADA and ADM are following this topic and will report back when more solid information is available.

[Detroit News Article](#)

COLOMBO & COLOMBO, P.C.

Annual Reminder: Social Host Liability

Office parties can present a whole “host” of liabilities for dealers, regardless of whether the parties are scheduled to celebrate the holidays, improve employee morale, or serve as an opportunity for employees to socialize with one another outside of the workplace.



So, how do dealers avoid liability while still providing an enjoyable time for

everyone? We emphasize three things that should be done to protect the dealership:

1. First, dealers should not make employee attendance at any social event mandatory.
2. Second, dealers should never serve or make alcohol available to minors.
3. Finally, dealers should prevent employees who consume alcohol at the party from operating a vehicle owned or leased by the dealership, since the dealership, as the owner of the vehicle, is liable for any injury or damage caused by the negligent acts of authorized drivers.

While these three items remain important, we have also provided a list of other suggestions that dealers should consider as they plan their social events:

- If dealers wish to serve alcohol, designate “spotters” to make sure that people who have consumed too much alcohol do not leave the party alone or become “too friendly” with others at the party.
- Reduce the risk of overindulgence by avoiding hard liquor entirely and serving only beer and wine, along with a variety of non-alcoholic beverages.
- Do not provide free alcohol or, if doing so, limit the number of free drinks provided. Often employers will issue a reasonable number of drink tickets to each employee, depending on the length and type of event.

Keep reading for more ["social host" tips](#) to protect the dealership (and your employees).

NEWS FROM NADA

Free Education Catalog

Did you know that NADA’s entire education catalog is available to NADA members – for free? Members must be current with regard to dues, and must create an NADA login and password if they have not done so already. Please visit the [NADA Resource Center](#) for the free-to-Members Education Catalog featuring webinars, workshops and more.



The FTC Finalizes Vehicle Shopping Rule

This week the Federal Trade Commission unexpectedly released its final Vehicle Shopping Rule (now called the “Combating Auto Retail Scams (CARS)” Rule), which [takes effect July 30, 2024](#).

In response to comments submitted by NADA and state and metro dealer associations, the FTC scaled back the proposed rule in several important ways. Among other changes, the FTC **eliminated requirements that dealers:**

- Maintain on their website a list of all “add-on” products offered and the price of each such product,
- Provide a series of written disclosures related to the sale of “add-on” products, and
- Retain copies of “Add-On” Lists and documents describing “Add-On” products offered to consumers.

However, the final rule would still impose several new problematic oral and written disclosures, numerous ill-defined requirements, and additional burdensome record-keeping obligations.

Please see NADA’s Dec. 12 email for additional information.

***Clean Vehicle Tax Credit Changes in 2024:** NADA has also shared important information on the clean vehicle tax credits. The IRS is still releasing new details and dealers must be familiar with any last minute changes. Please make sure you are reading your NADA emails and sharing with staff so your team is prepared when new reporting deadlines take effect on January 1, 2024.*

Please Welcome MADA's New Associate Member: Tekion



Tekion has challenged the paradigm with the first and fastest cloud-native automotive platform that includes the revolutionary Automotive Retail Cloud (ARC) for retailers, Automotive Enterprise Cloud (AEC) for manufacturers and other large automotive enterprises and Automotive Partner Cloud (APC) for technology and industry partners. Tekion connects the entire spectrum of the automotive retail ecosystem through one seamless platform.

LEARN MORE: www.tekion.com

Please contact Tekion's representative for Michigan with any questions you may have.

Steve Atanasovski | Solutions Manager, Tekion
phone (248) 431-3196 | email satanasovski@tekion.com

YEAR-END REMINDERS

Documentary Preparation Fee

The current maximum documentary preparation fee (doc fee) remains in effect for 2023 and 2024. DIFS will next review the maximum allowable fee in mid-January 2025.

- In 2024, the documentary preparation fee shall not exceed 5% of the cash price of the motor vehicle or **\$260.00**, whichever is less. See [DIFS bulletin 2023-01-CF](#) for more information.

- Dealers may choose the appropriate doc fee to charge based on their business model (up to the maximum allowed). However, remember to charge the same doc fee for all vehicle transactions (where legally allowed), *regardless of any manufacturer promotions.*
- **Note about lease buyouts.** Dealers are reminded that lease buyouts must follow the legal process agreed to within the contract. Please review your lease buyout contracts to determine if charging a doc fee is allowed, and keep in mind that doc fees are not government fees.



Proper Processing with CVR

End-of-year is a great time to remind staff about proper processes so everyone can begin fresh in the new year. As you are reviewing operations at your dealership, please remember to keep in mind these CVR processing requirements:

- **Printer Cleaning.** It is necessary to monitor the quality output of your printer and clean it when needed. If you are submitting work with ink streaks, please consider changing your ink or cleaning your print heads.
- **End of Day Report Goes First.** MiEFS program terms require that when bundles of work are submitted, the End of Day Reports are submitted as the first document on top of the work pile.
- **One Day and One License # Per Envelope.** Dealers should only be submitting a single day's transactions per envelope, and transactions from different stores should be submitted in separate envelopes.

When these proper procedures are disregarded, it causes significant delays for MDOS staff, who must sort through paperwork before they can begin processing. Please take the time on your end to make sure your paperwork is in proper order before submitting to the state.



Keep
Reading

CAPITOL CORNER

- Whitmer To Offer Tax Rebates To Buy A New Vehicle
- EPIC Pollster: Graduated Income Tax Would Pass
- Retailers Report 2nd Sales Index Drop In November
- Michigan's Greatest Selling Point? Public Says Natural Resources

AROUND THE WEB



7 times Michigan's Upper Peninsula was left off maps or labeled incorrectly

Detroit Free Press | Happy 187th birthday to our better half, the Upper Peninsula, whose near perfection often goes unnoticed by the rest of the world — literally.

On Dec. 14, 1836, a landmark agreement granted the land now known as the Upper Peninsula to Michigan, which then became a state on Jan. 26, 1837. But even in 2023, it's not uncommon for major organizations to leave Michigan's treasured top half completely out of maps ... or labeled as part of Wisconsin (come on!).

So in honor of the U.P.'s big day, here are seven times the world disrespected you. And here's hoping the world learns from its mistakes this time.

[Read More](#)



Automotive Fraud Around the Country: Staged Vehicle Accidents

National Insurance Crime Bureau | A new report on South Carolina fraud trends shows staged vehicle accidents as the top fraud issue in the state.

Various tactics are often utilized to commit these crimes. For example, criminals may use fraudulent information, such as inflated medical billing, in the aftermath of a staged accident in order to influence settlements from insurers during mediation. Staged accident rings with complicit passengers involved in the conspiracy may visit multiple health clinics and often receive a myriad of treatments for alleged soft tissue injuries that cannot be verified through medical imaging. These fraudulent injuries and medical services aim to inflate the insurance claim and thereby further enrich the conspirators.

[Read More](#)

MEMBER NEWS

NADA Show Roundtable with 700Credit: Synthetic ID Fraud

700Credit is pleased to announce they have been selected to speak at NADA 2024 in Las Vegas. They will be hosting a roundtable of experts from Experian, Equifax and TransUnion to discuss the \$1B Synthetic ID Fraud problem facing our industry today and how dealers can protect their stores from costly losses.



Synthetic fraud is one of the fastest-growing financial crimes in the U.S. and is prevalent in the new and used automobile retail sector. For every car lost due to

synthetic fraud, you must sell 10 more to recoup the loss. A panel of experts will review synthetic ID fraud and how to recognize an attack. With more off-site delivery expected, dealers must take steps to identify and avoid all types of fraud.

[More About This Session](#)

EDUCATIONAL OPPORTUNITIES

Dec. 19 | [FTC's CARS Rule: Under the Hood with ComplyAuto](#) In this webinar, the experts at ComplyAuto will go through the CARS Rule in detail and discuss what steps dealers can take today in order to prepare them for this new reality in 2024.

Jan. 23 | [Dealership Valuation: Navigating Trends and Strategies](#) Join NADA for insights into the current trends, emerging opportunities, and essential procedures that are integral to a successful valuation process.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



[Website](#)

The industry's most respected resource for automotive market data and reporting. **Cross-Sell tracks new and used vehicle title/registration data in 30 states**, providing comprehensive monthly reports that are custom-made for each dealership's unique market. Our powerful auto industry reports detail sales by VIN, Make, Model, Owner City, Owner ZIP, Dealer Seller Name, Dealer Seller ZIP and Lienholder (where allowed by state).



[Website](#)

MRA is one of the largest and most established credit card processors in Michigan. We understand you want simplicity and you need to save money when it comes to credit card processing. MRA saves members an average of 23 percent on credit card processing fees using an easy-to-understand approach. We service all major credit cards and offer a variety of deposit options.



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

MADA Fast Facts



December 22, 2023

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[View as Webpage](#)

HAPPY HOLIDAYS!

Wishing You All A Wonderful Holiday Season...

As we near the close of another year, we wanted to take a moment to express our gratitude for the support and active participation of our members.

Your involvement has been the driving force behind our shared success, and we are truly grateful to have such an engaged group of dealers and staff.



During this holiday season, we extend our warmest wishes to you and your loved ones. We hope you take this time to relax, reflect, and embrace the time with family and friends.

Please note: Secretary of State branches and the MADA office will be closed Friday, December 22 and Monday, December 25.

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NEWSLETTER SPONSOR

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. DRI provides a wide range of superior F&I products, training classes, and various reinsurance structures focused around the needs of the individual dealer or dealer group.

YEAR-END REMINDERS

Recreation Passport Fee Increase

Beginning Jan. 1, 2024, recreation passport fees will increase. The new fees will be as follows:

- One-year vehicle registration - \$14
- Two-year vehicle registration - \$28
- [Notice from MDOS](#)

Note: The fee for a recreation passport on a motorcycle registration will remain \$7 for both one- and two-year registrations

Increase to Electric Vehicle Registration fees

As of Jan. 1, 2024, the Michigan Motor Fuel Tax Act increases the fuel tax, which under MCL 257.801(8) requires an increase in the registration gas tax fees for plug-in hybrid electric vehicles (PHEV) and electric vehicles.

- The fee increase will be \$3 for PHEV and \$7 for electric vehicles
- [MDOS breakdown based on vehicle propulsion type](#)

IRS Energy Credits Online Tool: Register ASAP

MADA has talked with a number of dealers about the registration process for the new IRS Energy Credits online portal. There have been some complications and questions, which makes it very important for dealers to begin the registration process now. **If you sell even one vehicle to a customer who qualifies for the clean vehicle credit, you must be registered with this IRS portal** (whether or not you opt into the point-of-sale credit.)

Effective January 1, some vehicles currently eligible for the credit will no longer be eligible. This new IRS portal will calculate the eligible credit based on the vehicle purchased and provide you - and your customers - with accurate vehicle credit amounts.

First, collect the information required to register:

- Business EIN and name as listed on your IRS tax filing
- Business contact who can act on behalf of the dealership
- Copy of your Michigan Dealers License
- If opting into the “Advanced Payment” option (Point-of-Sale credit), also collect the Bank Routing number, account number and name of Financial Institution

Next, go to the IRS registration portal:

- <https://www.irs.gov/credits-deductions/register-your-dealership-to-enable-credits-for-clean-vehicle-buyers>

For more information see:

- IRS User Guide: <https://www.irs.gov/pub/irs-pdf/p5867.pdf>
- Updated FAQs from the IRS: <https://www.irs.gov/credits-deductions/frequently-asked-questions-for-the-dealer-and-seller-energy-credits-online-registration> (see new Q12 and Q15 on)

Common problems while registering:

- ID.me identity credentialing process
- Application status - "Pending Manual Review"
- For problem resolution - email: irs.clean.vehicles.dealer.info@irs.gov

If you run into any complications, please reach out to MADA. We are happy to help you through the process and direct to additional resources if needed.

Phone (800) 292-1923 | Email jfackler@michiganada.org

IS YOUR DEALER LICENSE CURRENT?

Please Confirm Your Renewal Has Been Processed

MADA has directly reached out to more than a dozen dealers this week about unexpired dealer licenses. In most instances, the dealer was unaware the license was set to expire on December 31st.

Most common issues for a renewal getting overlooked or delayed:

- Renewal paperwork was submitted, but something was incorrect or missing. Dealer was unaware the state placed a "hold" on the renewal.
- Common reason for a hold: a police report must be uploaded when requesting replacements for lost, stolen or missing dealer plates.
- Renewal notification was emailed to a former employee and the dealer was unaware the license was up for renewal.
- The dealership obtained an original (new) dealer license within the past few months and was not aware the license required renewal yet.

MADA encourages all dealers to confirm that their dealer license renewal has been properly submitted and approved. Please log into your CARS e-Services account or look up your dealership on the state's website:

<https://dsvsesvc.sos.state.mi.us/TAP/> / (go to *Business Services* >> *Dealer Services*).

If you have any questions you are always welcome to contact MADA.

Phone (800) 292-1923 | Email lduby@michiganada.org

WHILE YOU ARE AT IT...

Also Check Your Repair Facility Renewal Date

Repair Facility licenses expire on the anniversary of the original issue date. Every year there are a few dealers who don't realize the repair facility license needs to be renewed until after it expires.

Coming Soon: New driver's licenses and state IDs with higher security

In line with national best practices and cutting-edge technology, Michigan is changing the look of its driver's licenses and state IDs. Changes include:

- Engraved data and new security features to reduce the risk of fraud
- Updated font and color theme, displaying the Michigan Coat of Arms
- Names of the Great Lakes can be seen at certain angles
- Two-line name format will accommodate more characters
- Gold Michigan shape with a star to indicate REAL ID-compliant
- Magnetic stripe on the back of driver's licenses and state IDs has been removed. Bar codes will remain on the back in scannable format.



The move to a new design affects all standard and enhanced driver's licenses and state IDs, including commercial, chauffeur's, graduated, moped, and salvage vehicle agent licenses. **Current licenses and state IDs are valid until their expiration date.**

*The Michigan Department of State also announced the state is bringing back a **green and white "Water Wonderland" license plate** in late January.*

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Keep Reading

CAPITOL CORNER

- Focus Of AG's Investigation Shifts To Minards
- Six Towing Companies Allege Fraud Against Detroit, Police
- Future Mobility Council Makes 6 Policy Recommendations
- Republicans Account For 10% Of PAs In 2023
- Craig's Website Still Down As Former Staffers Want To Get Paid

AROUND THE WEB



Tesla blamed drivers for failures of parts it long knew were defective

Tax planning for franchisors and franchisees: 2023 year-end strategies

Plante Moran | As we near the close of the year, franchise businesses have several potential tax planning opportunities to consider before December 31. The following updates and tax changes for 2023 can help both franchisors and franchisees with year-end planning.

Phaseout of bonus depreciation, placing assets in service, and cost segregation | Federal tax exemption of pooled advertising funds | Employee retention credit (ERC) pause and claim withdrawal...

[Read More](#)

Reuters | Wheels falling off cars at speed. Suspensions collapsing on brand-new vehicles. Axles breaking under acceleration. Tens of thousands of customers told Tesla about a host of part failures on low-mileage cars. The automaker sought to blame drivers for vehicle 'abuse,' but Tesla documents show it had tracked the chronic 'flaws' and 'failures' for years.

Tesla records reveal the automaker has long known far more about the extent of defects than it has disclosed to consumers and safety regulators.

[Read More](#)

MEMBER NEWS

Cancer Support available 24/7 to eligible members of Blue Cross



Blue Cross® Blue Shield® of Michigan's Cancer

Support is a new program through OncoHealth's virtual platform, Iris. It connects patients with the cancer care they need, 24/7, at no additional cost to them. It includes access to cancer experts, mental health support and educational resources. This program is included with fully insured plans and available as a buy-up for self-funded plans, [beginning January 1, 2024](#).

Read this article to learn more: [BCBSM's New Cancer Support Program](#).



Russell (Russ) Rorick Raymond

October 8, 1934 - December 11, 2023

We share the news that Russell (Russ) Rorick Raymond peacefully passed away at on December 11, 2024 at the age of 89. His grandfather established the former Raymond Auto Sales in Adrian, MI.

Mr. Russell graduated as salutatorian from Adrian High School in 1952. He attended the University of Michigan and Michigan Tech University before serving in the U.S. Army in Germany during the Cold War. After his service he worked with his father at the family Ford dealership. His grandfather, Samuel W. Raymond,

established the dealership in 1911 and was the brother-in-law of Henry Ford.

There will be a Memorial Gathering for his family and friends at the Arbor Green Apartments in Houghton on December 30 at 2:00pm.

Obituary

EDUCATIONAL OPPORTUNITIES

State of Michigan Holiday Closures

Dec. 22 and 25
Dec. 29 and Jan. 1

Jan. 23 | [Dealership Valuation: Navigating Trends and Strategies](#) Join NADA for insights into the current trends, emerging opportunities, and essential procedures that are integral to a successful valuation process.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



Website

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.



Website

CAPTRUST specializes in providing auto dealers with investment advisory services, working as fiduciaries to their retirement plans, foundations, and endowments. Our advisors also provide comprehensive wealth planning services to families and executives. Servicing the MADA for more than 30 years, CAPTRUST oversees 46 MADA member plans and more than \$400 million of MADA member assets.



Supporting Michigan's franchised dealers for more than 100 years!

Phone (800) 292-1923 | www.michiganada.org

Michigan Automobile Dealers Association | 1500 Kendale Blvd., PO Box 2525, East Lansing, MI 48826-2525

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MADA Fast Facts



December 29, 2023

Vol. 25 | Issue 52

[View as Webpage](#)

SEE YOU NEXT YEAR!

The MADA officers and staff wish you a joyous and safe New Year's celebration. Here's to a year filled with happiness, success, and shared accomplishments!

Please note: SOS branches will be closed Friday, December 29 and Monday, January 1. The MADA office will be closed Monday, January 1, 2024.



**DEALERS
RESOURCES,
INC.**

"A Personal Commitment"

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YEAR-END REMINDERS

In consideration of vacation schedules, office parties and other reasons for being away from your desk, MADA is repeating a few new-year processing reminders.

Recreation Passport Fee Increase

Beginning Jan. 1, 2024, the recreation passport fees will increase. The new fees will be as follows:

- One-year vehicle registration - \$14
- Two-year vehicle registration - \$28
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Increase to Electric Vehicle Registration fees

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- The fee increase will be \$3 for PHEV and \$7 for electric vehicles
- [MDOS breakdown based on vehicle propulsion type](#)

Sales Tax Trade-in Credit Increase

Beginning Jan. 1, 2024, owners trading in a motor vehicle receive a sales tax credit for the vehicle's trade-in value up to a **maximum of \$10,000**. This amount increases \$1,000 annually and is based on the delivery date of the vehicle.

MDOS emailed a notice with updated FAQs to dealers on Thursday. This memo, [available here](#), notes the new value and addresses questions about what vehicles/items are eligible for a trade-in credit, as well as purchases from out-of-state customers.

Reminder from Colombo & Colombo, P.C.

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.

For transactions that were reported to the IRS for 2023, it is necessary to inform any customer of the Form 8300 filing **on or before January 31, 2024**. This notification must include the name, telephone number and address of the dealership, the amount of cash that was received by the dealership and that the information has been reported to the IRS. Please note: The law requires written notification. Merely informing the customer at the time of the sale that you will be filing the Form 8300 is not sufficient. If you sent the customer the notice letter at the time of the transaction, you do not need to send another notice at this time.

[Click Here](#) for a sample letter that the dealership can use to notify the customer of the Form 8300 reporting.

MDOS MANUAL UPDATES

Three Chapters of the Repair Manual Were Recently Revised

The MDOS Business Regulation Section recently updated chapters 5, 6, and 9 of the Repair Facility Manual. **Please ensure you are using the most current version of each chapter.** Below is an overview of the updates. (MDOS also emailed this information directly to licensed dealerships on Dec. 20.)

Repair Manual Chapter 5: Work in Progress Requirements Changes

- Sections 5-1 thru 5-4: Grammatical and punctuation changes.
- Section 5-3.2: sublet repair facility information was added.

Repair Manual Chapter 6: Post Repair Requirements

- Section 6-1 thru 6-3: Grammatical and punctuation changes.
- Section 6-1.2: section “i” facility’s registration number’ was added.
- Section 6-2.1: “A repair facility is required by law to give customers a notice which informs them of their right to reclaim replaced parts.’ See Appendix C, ‘Notice of Parts Return’ for more information’ was added.”

Repair Manual Chapter 9: Working with RMD

- Various grammatical and punctuation changes.

The [Table of Contents](#) was also adjusted.

ASSOCIATE MEMBERS RENEWED FOR 2024

MADA offers associate membership to a select group of companies that support the automotive industry in Michigan and specialize in service to automotive dealerships. When reviewing your vendor relationships, please consider these companies, which have continued their membership with MADA into 2024.

Associate Members Renewed in December

- Enterprise Rent-A-Car
- Reviver

We give special thanks to our associate members with 20+ and 10+ years of support for MADA and our members!

20+ years of membership with MADA

- BMO Bank N.A.
- CAPTRUST Financial Advisors
- Federated Mutual Insurance Company
- Reynolds & Reynolds
- Serra Benefits Group
- UHY LLP

10+ years of membership with MADA

- 700Credit

- IGS Energy, Inc.
- Michigan Schools and Government Credit Union
- Ralph C. Wilson Agency
- Rehmann

NEWS FROM NADA

Preliminary FAQs from NADA on the Vehicle Shopping Rule



NADA has prepared a document to answer some preliminary dealer questions about the Vehicle Shopping Rule (now called the “Combating Auto Retail Scams (CARS)” Rule) and provide a summary of its requirements. Dealers are encouraged to review this FAQ document, and the materials at the links therein with your legal advisors and relevant vendors.

- [Preliminary FAQs from NADA](#)

Please see NADA's December 18th email for additional information. NADA Regulatory Affairs will also provide more comprehensive guidance as the **July 30, 2024 compliance deadline** gets closer.

AROUND THE WEB



New Federal "Beneficial Ownership Information" Reporting Requirement

NADA Regulatory | Beginning Jan. 1, 2024, new Federal regulations go into effect that will require many corporations, limited liability companies, and other U.S. and foreign entities created in or registered to do business in the United States to [report information about their beneficial owners - the persons who ultimately own or control the company - to the U.S.](#)



The EV boom may be petering out, but Americans are buying record numbers of hybrid cars

FORTUNE | America's automakers have staked their futures on the notion that electric vehicles will dominate sales in the coming years, spurred by buyers determined to reduce carbon emissions and save on fuel.

But so far, while EV sales are growing, their pace is falling well short of the industry's ambitious timetable for transitioning away from combustion engines. Instead, buyers are increasingly embracing a quarter-century-old technology whose popularity has been surging: The gas-electric hybrid...

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MEMBER NEWS

Brighton Ford stepped in to help a struggling family

When a Howell family lost everything to a house fire, a local car dealership stepped up to help.

Jeff Willhite and his four children have lived at their Howell home on Hadden Avenue for four years. On Dec. 10, the family was at church and the oldest son had already returned home when he heard the fire alarm go off. "It was just too big for him to stop it," Jeff Willhite said.

When Brighton Ford Vice President John Cueter heard of the family's story, he knew he had to do something to help. A dealership staff member took in one family member to live with her. The other children have been taken in by other families since the home is uninhabitable. The dealership also put together care packages filled with toiletries, blankets and gift cards for every family member.

[Read More](#)

JA Finance Park Automotive

Fox Motors recently took part in the ribbon cutting ceremony for the new JA Finance Park Automotive in Grand Rapids, supporting their partnership with Junior Achievement of the Michigan Great Lakes.



JA Finance Park is Junior Achievement's capstone program for personal financial planning and career exploration. The facility provides space for students to gain knowledge and skills related to income, expenses, credit, and savings along with Michigan based career exploration to help equip them for financial independence.

Fox Motors is proud to be the JA Finance Park Automotive storefront located in Grand Rapids.

[Read More](#)

EDUCATIONAL OPPORTUNITIES

State of Michigan

Holiday Closures

Dec. 29 and Jan. 1

Jan. 23 | [Dealership Valuation: Navigating Trends and Strategies](#) Join NADA for insights into the current trends, emerging opportunities, and essential procedures that are integral to a successful valuation process.

HIGHLIGHTING OUR ASSOCIATE MEMBERS



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With over 11,000 approved submissions for 6,000+ dealers in 50 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.



[Website](#)

Thanks to iA American's exclusive, revolutionary 15-Minute F&I Turn™, dealerships can complete their F&I transactions in 15 minutes or less. Morally, ethically, and with greater customer satisfaction. Best of all, our dealer-partners currently employing The 15-Minute F&I Turn™ process are reporting significantly higher profits than before.



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