Subject: February 2020 HOTWIRE Newsletter





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DEALERSHIPS SHOULD EVALUATE WEBSITE ACCESSIBILITY

Dealerships should evaluate their websites for accessibility issues following a Supreme Court decision not to review a lower court ruling that the Americans with Disabilities Act applies to public-facing commercial websites.

NADA is presenting a webinar on dealership website accessibility on January 15 from 12 to 1 p.m. "Dealership Website Accessibility and the Americans with Disabilities Act" will be hosted by NADA's Chief Regulatory Counsel Doug Greenhaus and Associate Director Kaye Lynch-Sparks and will discuss how to make dealership websites accessible, the complexities of accessibility for franchised dealerships, and what NADA is doing to address these issues.

In addition to the upcoming webinar, NADA has created a two-page FAQ, "Website Accessibility and the ADA" that goes into detail about the complex nature of digital accessibility. IADA originally reported on the importance of website accessibility in the Fall/Winter 2018 issue of Iowa Auto Dealer magazine. Read "All Access" for insight on both physical and digital accessibility.

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FTC GUIDE GIVES TIPS ON COMPLYING WITH SOCIAL MEDIA DISCLOSURES

When posting about cars on social media, dealership employees should disclose their relationship with the dealership or risk running afoul of deceptive advertising laws. That's because when products are endorsed through social media, the FTC requires that material connections be disclosed. "Material connections" means personal, family, employment, or financial relationships. So an employee at a Chevrolet dealership posting about the wonders of the new Silverado needs to disclose that they have a relationship with the brand.

If you work at a dealership and post about your dealership's products, familiarize yourself with the FTC's "Disclosures 101 for Social Media Influencers," which addresses how and when to make disclosures, and "The FTC's Endorsement Guides: What People Are Asking," which addresses frequently asked questions.

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2020'S TOP 25 LEGAL TRENDS FOR AUTOMOBILE DEALERS

By Eric L Chase See the top 25 legal trends.

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IMPLEMENTING BEST PRACTICES IN 2020 AND BEYOND

By Eric L Chase Legal Audit Checklist for Auto Dealers

VERMONT'S MINIMUM WAGE

Vermont's minimum wage increased to \$10.96 January 1st, 2020.

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SALARY CHANGES TO WHITE COLLAR OVERTIME EXEMPTIONS

The U.S. Department of Labor is updating and revising the earnings thresholds necessary to exempt executive, administrative or professional employees **READ MORE**

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IRS ANNOUNCES HIGHER ESTATE AND GIFT TAX LIMITS FOR 2020

The Internal Revenue Service announced today the official estate and gift tax limits for 2020: The estate and gift tax exemption is \$11.58 million per individual, up from \$11.4 million in 2019. That means an individual can leave \$11.58 million to heirs and pay no federal estate or gift tax, while a married couple will be able to shield \$23.16 million. The annual gift exclusion amount remains the same at \$15,000. The IRS announced the new inflation-adjusted numbers in Rev. Proc. 2019-44. Forbes contributor Kelly Phillips Erb has all the details on 2020 tax brackets, standard deduction amounts and more. We have all the details on the new higher 2020 retirement account limits too.

Source: Forbes Editor's Note: NADA is a member of the Family Business Coalition, a coalition of family-owned business partners that helped advocate for this dealer-friendly tax guidance.

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NHTSA EXTENDS IMPLEMENTATION DEADLINE FOR EXEMPTIONS OF ODOMETER DISCLOSURES

The National Highway Traffic Safety Administration (NHTSA) has modified elements of its final rule applicable to increased vehicle populations subject to federal odometer disclosure requirements. The change to the exemption from odometer disclosure requirements will now take effect on January 1, 2021 and will apply to model year 2011 and newer vehicles. The rest of the rule remains intact as published.

Source: AAMVA Editor's Note: On Jan. 1, 2021, new and used vehicles from model year 2011 and later will require odometer disclosures to be made until the vehicle is 20 years old. Vehicles from model year 2010 and older will remain exempt from odometer disclosures as the 10-year exemption still applies. NADA is working with other industry stakeholders, with the American Association of Motor Vehicle Administrators (AAMVA) and with Automotive Trade Association Executives to facilitate the rule's implementation.

DRUG AND ALCOHOL CLEARINGHOUSE LAUNCHES

The <u>Drug and Alcohol Clearinghouse</u>, an electronic database that will track commercial driver's license holders who have tested positive for prohibited drug or alcohol use, refused to take required drug tests, or have committed other drug or alcohol violations, has launched. The Federal Motor Carrier Safety Administration has put together a <u>Learning Center</u> and an <u>extensive FAQ</u> to help educate drivers and businesses about the new clearinghouse.

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THE 2020 NADA DEALERSHIP WORKFORCE STUDY IS NOW OPEN!

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

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)

For Your Participation

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

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

Enroll now at nadaworkforcestudy.com to participate in the 2020 Dealership Workforce Study!

Study will CLOSE April 15, 2020. Any questions or issues, please contact workforcestudy@nada.org

*To enroll you will need your store or group NADA Member ID number. Contact our customer service team at 800.557.6232 to request your ID.

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NADA IS STARTING A NEW 20 GROUP DEDICATED TO BODY SHOP!

Interested in developing business performance and profitability? NADA 20 Group is for you! Together, a group of non-competing peers and a world-class NADA 20 Group consultant identify best practices and discuss new ideas to take back to your dealership. Meetings are designed to maximize ROI by focusing specifically on the body shop area within the dealership.

As a charter member, you'll play a key role in building the group's composition and culture. If you're a body shop owner or manager that has been considering joining a NADA 20 Group now is the time to act!

ACV BUYS INSPECTION PROVIDER TRUEFRAME

ACV Auctions said Tuesday it has purchased vehicle accident inspection provider TrueFrame, a move that adds retail inspections to ACV's offerings. TrueFrame is the provider of the True360 vehicle inspections, which aim to provide dealers and consumers more context when they're buying used vehicles. These reports publish on CARFAX and AutoCheck vehicle history reports and on dealer website vehicle details pages. "We welcome the TrueFrame dealer partners, commercial consignors and teammates to ACV Auctions as we share a common mission to be the most trusted and transparent way for dealers to buy and sell used vehicles," ACV chief executive George Chamoun said in a news release. "If a vehicle has been in an accident, it typically faces diminished value that is more significant than the actual severity of the damage. Only after a TrueFrame inspection do we know the extent," Chamoun said. "With our comprehensive vehicle inspection and True360 report, there is no need to guess, enabling transparency and increasing trust; ultimately increasing the value of used vehicles." ACV said this purchase "furthers its mission to provide the industry's most accurate view of a vehicle's condition." True360 reports can be run on used vehicles for dealers and commercial consignors. TrueFrame CEO Frank Lynch said in a news release: "After meeting the ACV team, we knew that our two companies and products were a perfect fit. We share a common focus on bringing transparency to the used car marketplace and helping our dealers succeed." Terms of the purchase were not disclosed in the news release.

Source: Auto Remarketing

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WORKERS' COMP SAFETY CORNER

- 1. As part of your winter plan, take a moment and check roof drains and water drainage flows across doorways and sidewalks. Ice buildups on sidewalks from poorly routed drains can cause catastrophic slips and falls from employees as well as from customers. Re-route drains and be diligent about checking these areas often for ice buildup during times of inclement weather.
- 2. Using unsafe hand tools, even if owned by employees, can result in WC claims thus costing the dealership. As the employer, you have the right to require employees to keep their owned tools in safe condition.

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3 SIGNS OF WORKPLACE VIOLENCE AND HOW TO MITIGATE THEM

Despite the rising number of horrific incidents related to workplace violence, many employers continue to believe the common myth that "it will never happen here." However, approximately two million employees report at least one violent incident in their office per year. In addition, 1/3 of HR professionals reported they would be unsure of what to do in a workplace violence scenario. Smacking a violence prevention poster up in a break room isn't going to mitigate all risks of violence.

In order to be proactive and protect your clients, it's crucial to be aware of the signs, always keep them at the top of mind, and know what to do if these behaviors are detected. By taking note of these sometimes crystal-clear warning signs and being prepared to act on them, you'll make safety a top priority to your clients. Here's how you focus on workplace violence prevention.

POTENTIALLY HAZARDOUS RECALL ISSUED BY FORD MOTOR COMPANY "MANUAL RECLINER SEAT INSPECTION"

The Missouri Automobile Dealers Association (MADA) recently received a workers' compensation claim that occurred while conducting the "Manual Recliner Seat Inspection Recall" Ford has issued. To complete the job, the technician is to recline the seat to the appropriate lock position and manually apply 850 Newtons (291 POUNDS) of force to a gauge placed on the seat back. This is an unusually excessive amount of force for an employee to be expected to generate, especially since it will have to be performed in less than ideal postures at times; perfect conditions for a hernia (like the recent claimant) or a sprain/sprain injury (MADA's most expensive type of claim). The recall affects different vehicles of different configurations in the 2018-2020 model years, therefore there is probably not a "one size fits all solution". What you can do is use your best judgement and some common sense to find an alternative method to complete the job. The solution could be as simple as using a high-lift jack or similar device placed on the back seat to jack the force gauge to the appropriate level. Alternatively, you could use job rotation so that the job is placed with a technician who is more fit to press into the gauge. Ask your team to think about the problem and what they could do to eliminate or mitigate the hazard.

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IRS ISSUES STANDARD MILAGE RATES FOR 2020

The Internal Revenue Service has issued the <u>2020 optional standard mileage rates</u> (PDF) used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on January 1, 2020, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- * 57.5 cents per mile driven for business use, down one half of a cent from the rate for 2019,
- * 17 cents per mile driven for medical or moving purposes, down three cents from the rate for 2019, and
- * 14 cents per mile driven in service of charitable organizations.

The business mileage rate decreased one half of a cent for business travel driven and three cents for medical and certain moving expense from the rates for 2019. The charitable rate is set by statute and remains unchanged.

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2020 NADA ACADEMY SCHEDULE ANNOUNCED

Are you looking to prepare current and future leaders at your dealership? Want them to improve each department's profitability, while examining how new technology and innovations reshape the industry? Do that and more while investing in your legacy with NADA Academy.

Member-driven, OEM accepted, the NADA Academy program includes six intensive week-long classroom sessions over the course of a year at NADA headquarters in Tysons, Va., combined with hands-on practical application in each area of the dealership including financial management, parts, service, pre-owned vehicles, new vehicles, and business leadership. Learn More.

DEALERSHIPS MUST USE NEW EMPLOYMENT ELIGIBILITY VERIFICATION FORM I-9

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

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

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

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

For more on a dealership's employment eligibility verification responsibilities, see NADA's <u>Dealer</u> <u>Guide to Employment Eligibility Verification</u> and the USCIS I-9 Homepage.

Questions can be directed to NADA Regulatory Affairs at regulatoryaffairs@nada.org.

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