



**VEHICLE AND AUTOMOTIVE
DISTRIBUTORS ASSOCIATION**

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Helping you drive Vermont's economy

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Governor Scott to Sign State Transportation Bill Today

Governor Scott announced he will sign the state Transportation Bill that includes emissions inspections for all cars up to 16 years old, and invests heavily in low CO2 alternative transportation. H.529, "all motor vehicles registered in this State shall undergo a safety and visual emissions inspection once each year and all motor vehicles that are registered in this State and are 16 model years old or less shall undergo an emissions or on board diagnostic (OBD) systems inspection once each year as applicable."

As reported in detail by [Headliners](#) May 31, H.529 draws from state, federal and VW settlement funding sources to allocate:

- \$2.65 million next year to design and/or build **nine park and ride** facilities totaling 554 new parking spaces.

- \$18.8 million in 2020 spending for **77 bike and pedestrian construction, design, or right-of-way projects**.

- 17.2% increase in **public transportation spending**, to \$36.8 million. Allocations include \$1.88 million for two large **all-electric transit buses** for the Burlington area, and \$480,000 for two all-electric small shuttle buses for the Montpelier area.

-11% increase in rail spending, including **\$8 million for Amtrak** and **\$5.2 million for Rutland-Burlington passenger service line** infrastructure.

-\$1.2 million to complete the \$7.5 million **multi-modal transit center, bike path, and pedestrian facility in Montpelier**. Funding to eventually transform the **state vehicle fleet to 50% hybrid or plug-in electric**. At present 54 of the 734 fleet vehicles fit that description.

-\$2 million for **subsidizing purchases of plug-in electric vehicles** and for repairs of fuel-efficient cars.

The bill also orders state studies on:

1. "feebates" (**rebating DMV fees**) based on miles-per-gallon
2. **Weight-based vehicle registration fees** - the heavier the vehicle, the higher the fee
3. Strategies to **increase public transit ridership**, especially in rural areas
4. A regulatory framework for 'transportation electrification' - including presumably a **PEV equivalent for the gasoline tax**.
5. Commuter rail between Barre and Montpelier, a project supported by diesel-powered commuter rail car owner and renewable power developer David Blittersdorf.

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DMV Rolls Out Driver's Licenses with Third Gender, Enhanced Security

The Department of Motor Vehicles is debuting a [new style of driver's licenses and ID cards](#) this month, updating the licenses' security measures for the first time in 15 years.

The new licenses will feature a revamped design, enhanced safety mechanisms, and the option to [select a third gender](#) beyond male or female.

According to a press release from DMV commissioner Wanda Minoli, security is the primary reason for the new licenses. Vermont licenses' safety features were last updated in 2004, and the older system is no longer maximally effective against counterfeiting and fraud. "The new licenses are more secure and designed to protect better against fraud and identity theft," Minoli

said in the press release. "We urge people to renew early and to read about the new driver's licenses and ID cards before visiting the DMV."

Michael Smith, the DMV's director of operations, said that the current licenses have "10 or 12" security features. The updated version will have 23, including microprinting, a raised signature, and features that utilize blacklights.

"Some [features], only our chief investigator knows what they are," Smith said. In addition to their enhanced security, the new licenses will make Vermont the 12th U.S. jurisdiction to offer a third gender label. Those who select the "other" option will have an X marked on their license - the character preferred by the LGBTQIA Alliance of Vermont.

Because the new licenses will include enhanced safety features, they will be produced in a high-security printing facility instead of at individual DMV branches. The update means that after Vermont drivers go to the DMV for a renewed license, they will wait roughly two more weeks to receive their new ID.

In the time between applying for a license and receiving one, Vermonters will have a 30-day "temporary paper document" to be used for driving purposes only. The temporary document will not function as a form of official identification; if drivers anticipate needing to use a license as ID, Minoli recommends keeping an old license or applying for renewal well in advance.

According to Smith, the out-of-house printing is a choice that the DMV made to help smooth the licensing process. Broken printers account for delays or problems "99.8% of the time," Smith said, and the current printers are old enough that they are no longer being produced by the manufacturer. "You take care of the printer, and I just got rid of 99% of my problems," Smith said. Smith also expects that though there might be some bumps in the transition period, the updated system should ultimately improve DMV wait times.

The new licenses will be rolled out statewide throughout the month. The process is set to begin on June 11 in Rutland and, per the current schedule, end with St. Johnsbury on June 27. Those who need a renewal during the transition period should check the statewide DMV website. In the interim, applicants will receive whichever version of the license is locally available.

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Hide and Seek

With summer car sales in full swing, please be advised that the Sierra Club has put the call out to their members for **mystery shoppers to catch dealers "hiding cars" and swaying customers away from electric vehicles.** In 2016, the Club made the same call and hundreds of volunteers flooded more than 300 car dealerships and reported their "findings." As in 2016, the Sierra Club plans to make the feedback public, with an unfavorable spin on dealerships. We know that dealers are just as committed to selling and servicing the new plug-in hybrid and battery electric vehicles their OEMs produce as they are with any other new model their customers want to buy or lease. Last year, NADA produced *A Dealer Guide to Marketing Electric Vehicles* which members can find on the NADA website, along with a copy of NADA's 2018 article, "The Reality of EVs," also posted on the NADA blog here: <https://blog.nada.org/2018/02/12/the-reality-of-evs/>.

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Cash Reporting Reminder

The Internal Revenue Service (IRS) recently issued a [Cash Reporting Reminder](#). Federal law requires a person to report cash transactions of more than \$10,000 to the IRS. For purposes of cash payments, a "person" is defined as an individual, company, corporation, partnership, association, trust or estate. People report the payment by filing [Form 8300, Report of Cash Payments Over \\$10,000 Received in a Trade or Business](#).

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FTC Used Car Rule Buyers Guide

The Federal Used Car Rule requires dealers to display on each used car offered for sale a window sticker, called a "Buyers Guide," that includes warranty and other important information for consumers.

The FTC revised the Used Car Rule and issued a revised Buyers Guide that dealers have been required to use since January 28, 2018. **Dealers must be vigilant with this requirement.** If you are not yet using the 2018 revised Buyers Guide, it is very important that you start using it today, and make sure a copy is on every used vehicle you offer for sale.

Buyers Guide Versions

There are two versions of the Buyers Guide: One says "As Is - No Dealer Warranty"; the other says, "Implied Warranties Only." Vermont permits dealers to sell a vehicle as-is and a dealer can offer a vehicle for sale without a warranty - written or implied. Therefore, dealers in Vermont must use the "As Is" version and check the box next to the heading "As Is- No Dealer Warranty" when selling a vehicle as is or check the box next to the heading "Dealer Warranty" and complete the warranty information if a warranty is offered.

For instructions on properly completing the Buyers Guide form, along with a number of templates and other examples, see NADA's Driven Management Guide "FTC Used Car Rule."

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FTC Consumer Lease Advertising Guidance

Click [here](#) for lease advertising guidance from the FTC Business Center website.

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Please Share NHTSA Travel Tips for Summer Season

Memorial Day marked the unofficial start of summer and the beginning of the busy travel season. Keeping safety top of mind will help drivers start their road trips right. That's why NHTSA is calling

on the auto industry to remind drivers to prepare for the travel season by sharing its summer driving tips, new consumer videos and social assets on company websites and digital media channels. Click [here](#) for NHTSA's full list of summer driving tips.

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Save-the-Date: NADA Show 2020 Returns to Las Vegas from Feb. 14-17

NADA Show 2020 kicks off on Friday, Feb. 14 (Valentine's Day) and runs through Monday, Feb. 17, in Las Vegas. The NADA Show offers educational workshops covering numerous topics from best practices in dealership operations and digital marketing to regulatory compliance and a lot more. In addition, the show includes keynote speakers and entertainers at the general sessions; dealer franchise meetings; an Expo; and many industry networking events. **Attendee registration and hotel selections begin July 22, 2019.** The popular hotels will fill up quickly so be sure to mark your calendars. Save-the-date and learn more at nadashow.org.

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10 Inspection Tips to Detect Flood-Damaged Vehicles

Once a post-flood clean-up and rebuilding begins, flood-damaged vehicles most often are sold for scrap or recycling. Occasionally, however, they find their way into the marketplace for sale to unsuspecting buyers. While there is no sure way to know if a vehicle has been damaged by a flood, the National Automobile Dealers Association (NADA) and VADA offer the following 10 inspection tips to prospective buyers to spot flood-damaged vehicles:

1. Check a vehicle's title history using the National Insurance Crime Bureau's VinCheck, the National Motor Vehicle Title Information System or a commercially available vehicle history report service, such as Experian or Carfax, etc. Reports may state whether a vehicle has been flood damaged.
2. Examine the interior and the engine compartment for evidence of water and grit from suspected submersion.
3. Check for recently shampooed carpeting.
4. Look under the carpeting for water residue or stain marks from evaporated water not related to air-conditioning pan leaks.
5. Inspect for interior rust and under the carpeting, and inspect upholstery and door panels for evidence of fading.
6. Check under the dash for dried mud and residue, and note any mold or a musty odor in the upholstery, carpet or trunk.
7. Check for rust on screws in the console and in other areas water would normally not reach unless the vehicle was submerged.

8. Look for mud or grit in alternator crevices, behind wiring harnesses and around the small recesses of starter motors, power steering pumps and relays.

9. Inspect electrical wiring for rusted components, water residue or suspicious corrosion.

10. Inspect other components for rust or flaking metal not normally found in late model vehicles. These suggestions will not detect flood damage in every case, but they do offer consumers some protection against buying a vehicle that has been damaged in a flood.

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NADA's Library

NADA NATIONAL AUTOMOBILE DEALERS ASSOCIATION

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Read our highly-praised NADA *Driven Management Guides* offering a variety of topics. Complimentary to all members.

Access Now ➔

REMINDER: NADA's library of online educational content is available as part of every dealer's membership to NADA and ATD and it is easy to access!

The first step is to sign in to the NADA web site (<https://www.nada.org>). Dealers who don't know their password can reset it online or contact NADA membership at 1-800-557-6232. **Every employee** at every member dealership has access to NADA's on-line resources, as part of the company's annual membership dues.

To create an account, dealership employees should click on "Create a New Account." Once signed in, members should click on the **EDUCATION** tab to drop down the menu options, including Driven Management Guides, Online Courses, Webinars, and Workshops; details for each category are listed by clicking the respective link. It is also possible to search for a content item by name by clicking the **Search Education Catalog** link.

If you have questions or would like additional information, please contact Matt Prince, NADA's head of online & eLearning curriculum, at mprince@nada.org or 703-827-6259.

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TIME DEALER OF THE YEAR Nominations due by July 5, 2019

VADA is now requesting nominations for the 2020 TIME Dealer of the Year Award. If you know a dealer who exemplifies the traits of a "quality" dealer in his or her business, civic, and charitable duties, take this opportunity to place his/her name in nomination. To nominate a dealer, simply review the requirements and complete the [2020 nomination form](#), and email to mmiller@vermontada.org or fax to VADA at 802-461-2659. Please submit your nomination before **July 5, 2019**.

Award Individuals nominated for this award should:

1. Be a franchised new car dealer
2. Be a member of the National Automobile Dealers Association
3. Be a member of a state dealer association and, if applicable, a local association
4. Be the actual operating head of the dealership as designated in the franchise paragraph of the factory agreement, or the owner's designated agent with full authority for business operations for a minimum of one year with recognition by the sponsoring dealer association as the dealership's voting representative
5. Have a presence in the dealership offices, actively managing the dealership
6. Have at least a five-year record of active participation in affairs of the nominee's state or local dealer association
7. Agree to be available for participation in Dealer of the Year activities during the year following selection

Please note: Current directors of NADA are not eligible for this award.

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Worker's Comp Safety Tips

- Make sure your eyewash stations are flushed and checked for operation every month. If they set for more than 30 days, there's an increasing chance that hard water will build up and plug the eyewash, rendering it unusable.
- Hands, eyes and fingers continue to be the most frequently injured body parts by Fixed Operations employees. Take a moment and review safety glasses. Do all employees have them available? Do you have extras? DO THEY WEAR THEM? Also review gloves. Do your techs and detailers have nitrile gloves and mechanic's gloves to use? Consider providing them and encouraging their use. Fingerless mechanic's gloves reduce A LOT of hand lacerations and burns as well as injury caused by vibrations from air tools.

- Remember, as the weather warms up, that some employee job classes can't wear shorts -- for instance, body shop employees who cut, weld or grind, or paint without a paint suit.
- Do your techs leave hoses and cords out when they're not being used? One rolled ankle will take your best tech out for two weeks, even if it's only a sprain.



We often think of spring cleaning as getting our homes in order. As an employer, have you stopped to think about your workplace as well? Good housekeeping, according to OSHA, protects employees from injuries, keeps the workplace clean and most importantly, results in improved safety. Workplace housekeeping can be as simple as eliminating fire hazards or removing hazardous chemicals.

In 2017, the Bureau of Labor Statistics reported 4,414 preventable workplace deaths in the U.S. Another 4.5 million injuries were reported, costing employers \$161.5 billion. While these statistics are alarming, you can become part of the solution and eliminate hazards.

Unclutter Your Work Environment It is important to keep aisles, exits and stairways free from clutter. An untidy work environment can lead to injuries and ergonomic issues. Clutter leaves less space to move around, impacting employee productivity. Store items properly and in designated locations. This will help prevent an overflow in hallways, stairwells and other areas. Also, make sure electrical cords are secured and out of walkways to prevent tripping hazards.

Protect Your Employees from Fire Hazards In the U.S., workplace fires and explosions kill 200 employees and cause more than 5,000 injuries each year, according to OSHA. Fire safety is everyone's responsibility. As an employer, you should design escape routes for your facility and conduct frequent fire drills. Sprinklers and smoke alarms also should meet state fire codes and should be tested regularly.

Eliminate Falls in the Workplace Falls are the second-leading cause of on-the-job preventable deaths and the No. 1 cited concern for general industry and construction employers. The main culprits? Ladders and walking surfaces. New safety mats are being designed to help eliminate falls and some employers grind surfaces to make sure they are even. Recognizing hazards can help keep your facility safe.

Aside from workplace housekeeping, it also is important to conduct regular safety walk-arounds of your facility. Not only will this show your employees your commitment toward their safety, but it will show the effectiveness of your organization's safety program. OSHA offers a great resource guiding employers through pre-inspection activities, walk-around tutorials and demonstrates how to evaluate your workplace post-inspection.

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Employee Social Media Posts Pose Potential Problems

A well-meaning salesperson using their personal social media to drum up business has the potential to cause a headache for your dealership. Keep in mind:

1. If it's illegal for your dealership to do it, it's illegal for a salesperson to do it.
2. If a salesperson is making rogue posts on social media, don't share them-unless you want the post to officially represent your dealership.

Here are several laws employee social media posts could potentially violate.

Drawings, Raffles, and Lotteries

In Vermont, it is illegal for dealers to run a lottery promotion. That same law extends to dealership employees conducting drawings, raffles, or lotteries on their personal social media page if they are connecting it to their work at the dealership.

Trigger Terms

If sales or lease ads contain certain trigger terms, the ad must also make certain required disclosures. Dealerships should be careful all social media posts avoid trigger terms or make appropriate disclosures as required by the law.

Name of Dealer in Ad

A dealership employee posting a vehicle for sale on a social media platform without clearly disclosing that it is part of a dealership's inventory could be considered misleading at best and an advertising violation at worst.

Clear and Conspicuous Disclosures

Even ads that are perfectly compliant in one medium have the potential to cause problems when shared on another. The disclosures in a full-page ad in the newspaper may appear clear and conspicuous, but not when a photo of that page is shared on a social media platform without clearly disclosing that it is part of a dealership's inventory is misleading at best and an advertising violation at worst. The disclosures on a television commercial may not be clear and conspicuous when that commercial is viewed on an iPhone. Err on the side of caution when it comes to sharing ads not intended for social media.

Coordinating Prices

The advertised price of a vehicle must be the same in every advertisement. If an employee is making sales posts on their personal social media accounts, that becomes one more place the dealership must coordinate pricing to ensure consistency.

Overtime

If an employee is working the social media angle on his or her day off, posting inventory on the Facebook marketplace or making other work-related posts on their personal social media, it could trigger overtime. (And if they're posting on social media during work hours, make sure your dealership has a social media policy in its employee handbook.)

Staying Ahead

I'm a great believer in luck, and I find the harder I work the more I have of it. --Thomas Jefferson

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