

THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

WANADA Celebrating 100 Years of Service (1917-2017)

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Staying Ahead...

WANADA Open set to tee off next Wed., June 7, Lansdowne



Get your golf clubs ready, and hope for good weather on June 7! The WANADA Open is set for that date at The Golf Club at the ever popular Lansdowne Resort in Lansdowne, VA. Rain or shine, it's an excellent opportunity for networking and a great way to bring on the summer!

Golfers and non-golfers alike may join the cocktail reception and dinner at Lansdowne – always a great event in itself.

Here is the schedule:

- 9:00 a.m. Registration, sponsored by Penney Design Group
Continental Breakfast, sponsored by Enterprise Rent-A-Car and M&T Bank
Practice Green, sponsored by Capital Automotive and the Driving Range is open
- 10:00 a.m. Golf Clinic, sponsored by Architects Group Practice
- 11:00 a.m. Tournament Shotgun Start
- 4:00 p.m. Cocktail reception, sponsored by SunDun Office Refreshments and ACV
Auctions
- 5:00 p.m. Awards dinner, sponsored by Manheim Pennsylvania Auto Auctions

There is still time to sign up so don't miss out!

For general questions on the WANADA Open, contact Kathy Teich, kt@wanada.org, (202) 237-7200.

IRS issues 2018 Health Savings Accounts contribution limits

The IRS has published the maximum allowed deduction for Health Savings Accounts contributions for calendar year 2018. They are:

For a high-deductible health plan (defined below):

- \$3,450 for an individual with self-only coverage.
- \$6,900 for an individual with family coverage.

Employees age 55 or older may make a “catch-up” contribution of \$1,000 more for either *self-only* or *family coverage*.

In 2018, a high-deductible health plan has an annual deductible of at least \$1,350 for *self-only* coverage or \$2,700 for family coverage. Annual out-of-pocket expenses (deductibles, copayments and other amounts, but not premiums) may not exceed \$6,650 for self-only coverage, or \$13,300 for family coverage.

NoVa Rotary and others join to support WANADA Tech Training

Rotary clubs and other service organizations from across Northern Virginia have joined in support of WANADA's Auto Dealer Education Institute's Auto Technician Development Program by delivering a combined donation check to WANADA in the amount of \$17,000.

ADEI Technician Development is a two year adult education curriculum that systematically incorporates college level course work in auto technology with on-the-job-training at a sponsoring dealership. The program has operated at Montgomery College in Rockville, Maryland and at Marshall Academy in Falls Church, Virginia involving WANADA dealer sponsors from around the beltway.



Representatives from the organizations that gave the generous donation are (l. to r.) Shannon Owen Prendergast, president of Arlington Rotary; Past Rotary District Governor and longtime WANADA dealer, Hugh Heishman; Marwan Hinnawi, president Rotary eClub 7610; Past Grand Master Jesse Villarreal, chair of Masonic and Eastern Star Home (MESH) Charities; Past Rotary District Governor Tin Tin Nu Raschid, founder of Rotary eClub 7610; District Governor Janet Brown; Joe Koch, vice president of WANADA; Rev. Gene Thomas, president of Arlington Kiwanis; Commer Thorney, treasurer, MESH; Past Assistant Governor Bilal Raschid (Falls Church Rotary); Assistant Governor Joe Lott (Arlington Club), and Curtis Anderson, Bailey's Crossroads Rotary.

At the conclusion of the ADEI program the sponsoring dealer has “home grown” its own productive line technician. Scores of ADEI students have entered the auto technology field in the ten years the program has been operating.

The Rotary governor for District 7610 was on hand for the check presentation, in addition to eight other Northern Virginia Rotary leaders, along with Kiwanis and MESH club representatives.

“This project is an example of service clubs working together to make a difference in our communities,” said Rotary District Governor Janet Brown, speaking at the check presentation ceremony. “Support for vocational training helps our returning veterans and youth who need options other than standard college. Congratulations to WANADA for making this program possible.”

WANADA Vice President Joe Koch echoed Brown’s sentiment. “This program will change the lives of the students who successfully complete it, and the service organizations here today are a wonderful example of how to make a difference through community involvement,” he said. Rotary in particular has also been very supportive of ADEI Technician Development on the DC and Maryland side of the Potomac.

Service clubs that contributed to ADEI include Rotary Clubs of Arlington, Falls Church, Baileys Crossroads, Crystal City/Pentagon, Rosslyn/Fort Myer, Tysons Corner, and the Rotary eClub; the Arlington Kiwanis Club, and the Masonic and Eastern Star Home Charities.

Many thanks to Archie Avedisian, WANADA’s prime on-staff fundraiser for ADEI. He has recently been helped in his efforts by fellow Rotarian TinTin Raschid in Virginia. MCPS Trade Foundations Director Steve Boden has been especially helpful in ADEI fundraising as well. Fundraising goes far beyond Rotary grants, helpful as those are. So far this year WANADA has gathered an impressive \$70,680 in grants for ADEI Technician Development Training.

Minidealership director Steve Boden honored by Montgomery Schools



Steve Boden with Patricia O'Neill, Montgomery County Board of Education, receiving the MCPS Distinguished Service Award

The Montgomery County Public Schools recognized a number of individuals and organizations recently for their extraordinary contributions to the educational mission of one of Maryland’s leading school systems, to include Steve Boden.

The longstanding director of the MCPS Trades Foundations serving the automotive, construction and IT industries, Mr. Boden was honored with the Distinguished Service in Public Education Award presented by the Montgomery County Board of Education.

Along with Boden were five other individuals and four organizations spotlighted by the Montgomery County Board of Education for a wide variety of good works benefitting the school system in the training and education it so successfully delivers to county students, from kindergarten through high school. The

Montgomery County Board of Education established the Awards for Distinguished Service to Public Education in 1997 to recognize and show appreciation to individuals, groups, and businesses that have made exemplary contributions to public education in Montgomery County.

A 26 year educator professional with Montgomery County Public Schools where he has supervised the Trades Foundation Programming for a good bit of his tenure, “Steve Boden has been the heart and soul of our Montgomery students Automotive Trades Foundation,” said Harold Redden of Fitzgerald Auto Malls, chairman of the Foundation. Redden described Automotive Trades as pace setting in the burgeoning field of career training in public high school education. Going back to the 1970s with WANADA’s support, the MCPS Automotive Trades Foundation, or “Minidealership,” has consistently recruited and trained high school students in the dealership employment sectors of service department auto technology and vehicle sales. For its part since the beginning, the Minidealership has operated as a licensed used car sales organization that acquires, reconditions and sells motor vehicles to the consuming public.



From Left: Joe Koch, WANADA; Jack Smith, superintendent of MCPS; Harold Redden, chairman ATF, Fitzgerald Auto Malls; and Steve Boden, MCPS honoree.

“When a MCPS student completes our Minidealership program there’s a good chance he or she will find their way into the automobile business,” said Redden, “and that’s huge.” As Boden has often said, “bringing up the next generation to staff the vital industries we serve is the mission of our Foundation programming.”

So successful has Montgomery County’s Foundation Programming been, it has been mirrored by the Fairfax County Public Schools where similarly longstanding, valuable partnerships with industry exist.

WANADA offers Steve Boden every best wish on the well-deserved professional recognition!

U.S. sues Fiat Chrysler over diesel emissions

The auto industry can’t seem to escape accusations of cheating on diesel emissions tests. Last week, the U.S. Department of Justice sued Fiat Chrysler Automobiles (FCA) on allegations of misrepresenting emissions for more than 100,000 diesel vehicles. A few days later, General Motors was hit with a class-action lawsuit claiming that two of its heavy-duty trucks used defeat devices, like those used illegally by Volkswagen, to enable them to pass emissions tests. The GM suit was filed in federal court on behalf of truck owners.



An earlier version of the Jeep Grand Cherokee is one of the diesel vehicles that FCA is accused of misrepresenting on emissions tests.

The FCA suit involves Jeep Grand Cherokees and Ram 1500 pickups with EcoDiesel V-6 engines, far fewer than the number Volkswagen had. Unlike Volkswagen, FCA denies wrongdoing. The company says a software update can fix the problem. The Justice Department is reviewing that proposal.

Maryland Gov. Hogan vetoes paid sick leave bill

Maryland Gov. Larry Hogan has vetoed the paid sick leave bill passed by both houses of the General Assembly. At this point, it's not clear that the legislature will override the veto in the new session that starts in January, even though the bill passed both houses by a veto-proof margin.

The Senate vote left no room to spare, with 29 Senators voting for the bill, the minimum needed for override. Hogan said he will work hard between now and January to persuade members of the legislature to pass a scaled-back version instead.

The vetoed bill would require all businesses with 15 or more employees to provide up to five days of paid sick leave. Smaller businesses would be required to offer unpaid leave. The governor had introduced his own bill that would use tax incentives to persuade businesses to offer paid leave, but it never got out of committee.

Gov. Hogan said he still wants to see some form of sick leave. He signed an executive order creating a study of all aspects of the sick leave issue.

If Maryland requires businesses to offer paid sick leave, it would be only the eighth state (including DC) to do so.

Border Adjustment Tax proposal appears mostly dead

Although many Republicans in Congress are eager to move on tax reform, few are enthusiastic about the border adjustment tax (BAT), according to *The Hill*. Nor has President Trump expressed support for the tax. Its main backer has been House Speaker Paul Ryan, who sees it as a way to pay for the corporate tax cut that Trump and Congressional Republicans want. In the spring, AIADA, backed by NADA, organized a dealer fly-in to Capitol Hill for dealers to lobby their members of Congress to oppose the proposal. Click [here](#) for the *WANADA Bulletin* report.



House Speaker Paul Ryan is one of the few proponents of the BAT. Photo by Gage Skidmore.

The House Ways and Means Committee held a hearing on the BAT last week and heard opposition from the CEO of Target and other retailers and importers who opposed the idea. AIADA President Cody Lusk said the hearing raised concerns that under the tax, middle class Americans would be forced to pay for a corporate tax cut.

“While America’s international nameplate dealers fully support federal tax reform efforts, they are deeply opposed to the border adjustment tax provision, which will drive up the cost of every vehicle on their lots and ultimately impact the price customers pay for reliable, safe transportation by an average of \$2,000 per vehicle,” Lusk said.

Administration starts to flesh out \$1 trillion infrastructure proposal

As Transportation Secretary Elaine Chao has hinted in recent weeks, President Trump's infrastructure proposal consists of \$200 billion in federal spending over the next ten years, designed to leverage private investment to reach a total of \$1 trillion.

The plan would also shift more services and underused capital assets to the private sector and offer more flexibility to states if, for instance, they want to charge a toll on federal highways. The administration also aims to cut back environmental reviews and other regulations that it says are holding up infrastructure improvement.

Members of Congress from both sides of the aisle have said they are willing to consider tax reform and infrastructure as a single package, reported *The Hill*, which would make for a smoother ride for tax reform. But Congress has a lot on its plate, not the least of which is the annual ritual of agreeing to a federal budget by the September 30 deadline. Conflicting signals from the White House about the administration's budget priorities and the work of two Congressional committees investigating possible collusion between Russia and the Trump presidential campaign are also distractions. Still, Republicans and Democrats alike recognize that infrastructure needs to be addressed, and quickly.

Any major legislative priorities should be addressed this year if possible, as 2018 will be an election year that will likely draw much more attention than the average midterm.

As economy recovers, driver death rate rises slightly

One downside of an improving economy is that as people drive more, the accident and death rate from driving increases. That has been the case in this recovery, though the risk of dying in a car crash has gone up only slightly, according to a study by the Insurance Institute for Highway Safety (IIHS).

People drive more as unemployment goes down. Discretionary driving also increases, as consumers have the money to go out to dinner or to entertainment, or to drive on a vacation. Interestingly, IIHS says "economic conditions also affect how fast people drive."



Improved vehicle safety technology is not enough on its own to eliminate car crashes and driver deaths.

There has been some improvement in vehicle safety since the last IIHS study. But those improvements are not enough to bring down the accident rate on their own.

"Improvements in vehicle technology are important, but we also need to address old problems such as speeding and driving while impaired," said Charles Farmer, IIHS vice president for research and statistical services.

The driver death rates show that the smallest vehicles are the most dangerous. Among the 10 vehicles with the highest death rates, five are minicars and three are small cars.

The top five 2014 models with the *fewest* accidents are the Audi A6 4WD, Audi Q7 4WD, BMW 535i/is 2WD, BMW 535xi 4WD and Jeep Cherokee 4WD. The models with the most driver

deaths per million miles are the Hyundai Accent, Kia Rio, Scion tC, Chevrolet Spark and Nissan Versa.

Fuel economy standards have created thousands of jobs, report says

A new report from a group of environmental organizations and labor unions says that nine states in the South and Midwest, plus California, each count 10,000 or more manufacturing and engineering jobs building fuel-efficient technologies. Half of U.S. states count such jobs in the thousands.

Nearly 290,000 workers are employed building fuel-efficient technology at more than 1,200 factories and engineering facilities in 48 states, says the report, "Supplying Ingenuity II: US Suppliers of Key Clean, Fuel-Efficient Vehicle Technologies." The study, produced by the Natural Resources Defense Council and the BlueGreen Alliance, is clearly aimed at Trump's often-expressed concern with increasing the number of good American jobs.

The administration has delayed the revised fuel economy standards issued by the Obama administration just before Trump took office. The revised standards are strongly opposed by NADA and auto manufacturers.

Position wanted: Controller

A versatile tax accountant with more than 20 years of experience in international and domestic income tax planning and compliance for a Fortune 500 REIT is looking for a position as a dealership controller but is open to any position in the finance department. The individual has a B.S. in Business Administration from American University and has expertise in specific areas of tax accounting, plus skills in public speaking and teaching accounting practice to associates.

Anyone interested may contact Joe Koch at jk@wanada.org or 202-237-7200.

Notice:

Position(s) Wanted is a WANADA member program for dealer and Kindred line employers in which WANADA refers persons seeking employment in a variety of capacities. These individuals present to WANADA their workplace experiences and credentials. All employment information from the Position(s) Wanted Program that prospective employers receive on referral from WANADA is subject to verification by prospective employers. WANADA, accordingly, is not responsible to prospective employers for information provided by those using the Position(s) Wanted Program. WANADA does not refer anyone seeking employment through Position(s) Wanted who it knows is employed by a new car dealer at the time they are using the Position(s) Wanted Program.

Staying Ahead...

America was not built on fear. America was built on courage, on imagination and an unbeatable determination to do the job at hand.

--Harry S. Truman

