

#### WANADA Bulletin # 05-24

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Beautiful Weather Contributes to Outstanding WANADA Open Governor Youngkin Announces End to EV Mandate in Virginia IRS Releases Materials to Assist Dealers with EVs MADA/WANADA Health Benefits Program Grow Your Service Department Through WANADA Training & Apprenticeships Save the Date for the 2024 WANADA Annual Meeting

#### **Beautiful Weather Contributes to Outstanding WANADA Open**

This past Monday, June 3rd, over 180 golfers competed in the 2024 WANADA Open at the Trump National Golf Club in Sterling, VA. The weather cooperated beautifully, helping ensure that the event was an overwhelming success.

Golfers from more than 20 dealerships around the region participated this year. Dealerships represented included Academy Ford, Alexandria VW, Apple Ford, Bill Page Toyota, Criswell, DARCARS, Euromotorcars, Fair Oaks Chrysler, Fitzgerald Auto Malls, Kody Holdings, Koons, Mercedes of Arlington & Alexandria, Ourisman, Passport, Penske, Safford-Brown, Sheehy, Ted Britt, and more. <u>Click here</u> to access a gallery of all digital foursome photos using the password WANADAopen2024.

A number of dealers and Kindred-Line members also joined the post-golf festivities, including a happy hour and dinner in the course's clubhouse, featuring panoramic views of the course and the Potomac River. In addition to the prizes awarded to the winning golfers, attendees had the chance to win a host of high-end door prizes. There was also a charitable 50-50 raffle, which collected \$2,730 total -- \$1,365 went to the raffle winner, and the same amount went to WANADA's Automobile Dealer Education Institute.



WANADA extends its many thanks to all those who helped make this year's WANADA Open a big success, including the WANADA Special Events Committee and the many sponsors who made this event possible. This year's sponsors included:

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#### Governor Youngkin Announces End to EV Mandate in Virginia

On June 5, Governor Glenn Youngkin (R-VA) announced the end of the California electric vehicle mandate in Virginia, effective at the end of 2024 when California's current regulations expire. An official opinion from Attorney General Jason Miyares in response to a request by the Governor and Senate Republican Leader Ryan McDougle confirms that Virginia is not required to comply with expansive new mandates adopted by the unelected California Air Resources Board (CARB) set to take effect January 1, 2025.



"Once again, Virginia is declaring independence – this time from a misguided electric vehicle mandate imposed by unelected leaders nearly 3,000 miles away from the Commonwealth," said Governor Glenn Youngkin. "The idea that government should tell people what kind of car they can or can't purchase is fundamentally wrong. Virginians deserve the freedom to choose which vehicles best fit the needs of their families and businesses. The law is clear, and I am proud to announce Virginians will no longer be forced to live under this out-of-touch policy."

"Today, I've issued an official Attorney General Opinion that confirms that Virginians are no longer legally bound to follow the emission standards of California," said Attorney General Jason Miyares. "EV mandates like California's are unworkable and out of touch with reality, and thankfully the law does not bind us to their regulations. California does not control which cars Virginians buy and any thoughts that automobile manufacturers should face millions of dollars in civil penalties rather than allowing our citizens to choose their own vehicles is completely absurd."

In 2021, the Virginia General Assembly passed legislation authorizing Virginia's Air Board to adopt California's "Advanced Clean Cars I" regulation pursuant to Section 177 of the federal Clean Air Act. The California Air Resources Board (CARB) recently adopted "Advanced Clean Cars II," set to take effect January 1, 2025, which would require 100% of new cars sold in Model Year 2035 to be electric vehicles. An opinion from Attorney General Jason Miyares confirms the law, as written, does not require Virginia to follow ACC II. Therefore, the Commonwealth will follow federal emissions standards on January 1, 2025.

"Throughout CARB's 'Advanced Clean Cars II' regulation are references to California Governor Gavin Newsom's executive orders and the unique environmental circumstances facing California. Virginia's laws should not be determined by California politicians. Instead, our laws should be decided by Virginians who are elected to serve Virginia and address issues that face our Commonwealth, not a state nearly 3,000 miles away," said Senator Ryan McDougle, who

co-patroned legislation to repeal CARB's mandate during this year's legislative session along with Senator Richard Stuart, Senator John McGuire, Delegate Lee Ware, Delegate Tony Wilt, and Delegate Buddy Fowler.

Under Advanced Clean Cars II, beginning in Model Year 2026, 35% of the new cars sold would have been required to be electric vehicles, moving up to 100% in 2035. If an auto manufacturer sells a standard automobile out of compliance with California's mandate, they may be required to pay a fine upwards of \$20,000 per vehicle sold. Given that EVs only amounted to 9% of vehicles sold in Virginia in 2023, application of the misguided mandates could have resulted in hundreds of millions of dollars in penalties. Virginia auto consumers and dealers could be forced to bear these costs. Not only would this leave auto dealers with less money to pay staff, offer raises, and grow their businesses, it could force many small auto dealers to permanently close their doors.



### **IRS Releases Materials to Assist Dealers with EVs**

As you are likely aware, dealers must use the IRS Energy Credits Online tool to register with the IRS and to submit time-of-sale reports in order to enable credits for your customers. The website to register is <u>here</u>.

Additionally, IRS recently released a "Partner Promotion Bundle" that you can access <u>here</u> with outreach products, site links, and social media posts. They specifically crafted these materials for you to use to assist you in the promotion of EVs, so please feel free to utilize as you see best.

#### MADA/WANADA Health Benefits Program

First announced in July of 2023, MADA and WANADA have partnered to provide health, dental and vision insurance products to dealer members with superior customer service. This is the only regional insurance brokerage owned completely by dealers to serve dealers and their employees.

Since June 1 is a significant renewal date for many dealers, the time is now to explore potential cost savings under the MADA/WANADA program. Regardless of renewal date, dealers can change brokerages any time during the year as expense management is essential with a slowdown in vehicle sales.

Here are just a few reasons why you should join the MADA health benefits program powered by WANADA Insurance Brokerage and Trust:

- Competitive Health Insurance with Superior Customer Service
  - 1. Fully Insured
  - 2. Self-Insured
- Dental Insurance through WANADA Trust (Exclusive Product)
  - 1. Fully Insured
  - 2. Self-Insured
- Vision Insurance through WANADA Trust (Exclusive Product)
- Prescription Drug Plans & Rx Carve-Outs
- Life and Accidental Death & Dismemberment (Exclusive Product)
- Additional Life Insurance For Employee, Spouse, & Dependents
- Worksite Products
  - 1. Accident
  - 2. Cancer
  - 3. Critical Illness
  - 4. Hospital Indemnity
  - 5. Long Term Care Insurance
- Owned By Auto Dealers
  - Insurance program owned by your fellow motor vehicle dealers and operated by your valued trade associations
- Cost Savings
  - The new MADA health benefits partnership is centered around delivering quality insurance benefits to dealerships at a reduced broker commission with superior customer service to help employee retention.

- Exclusive Products
  - The WANADA Trust offers proprietary dental, vision, life, and disability options that are not offered by any other broker-of-record. These proprietary products allow for greater insurance flexibility and value.

In addition to the reasons detailed above, the MADA health benefits partnership offers the following services to help dealership human resources personnel provide the best plan to employees:

- Flexible Spending Account (FSA)
- Health Savings Account (HSA)
- Health Reimbursement Arrangement (HRA)
- COBRA Administration
- HIPPA Administration
- Enrollment, termination, and coverage change administration
- IRS 5500 form assistance
- HRIS Systems (payroll/benefits administration)
- Consolidated Billing
- Claims Intervention
- Mobile Benefits App for all dealership employees

Please contact <u>Travis Martz</u> at MADA (410-777-5494) or <u>Ed Mullaney</u> at WANADA (202-800-4283) to begin the exploratory process of this exciting new health insurance partnership.

## Grow Your Service Department Through WANADA Training & Apprenticeships

One of WANADA's most valuable membership benefits is our Auto Dealer Education Institute (ADEI) technician apprenticeship program. ADEI offers a unique opportunity to cultivate a skilled workforce tailored to a dealership's specific needs while fostering loyalty and commitment among employees. ADEI helps you ensure a pipeline of talented technicians trained to tackle the increasingly complex technologies found in modern vehicles. If you are interested in interviewing one of our current apprentice candidates, or if you have a talented employee who would benefit from technical training, contact WANADA's Director of Education Joe Hemberger at jh@wanada.org or 267-346-1700.

The program's branch in Northern Virginia in particular is currently experiencing rapid growth. While ADEI has always flourished in Montgomery County and the new Prince George's branch has nearly tripled since its inception in 2022, the NOVA program has struggled to find the same momentum in recent years. Mr. Hemberger's efforts to foster relationships with NOVA area high schools to attract applicants is paying off. Applications from around Northern Virginia are at an all-time high and Mr. Hemberger was recently presented an award from the auto tech training program at Fairfax High School for his efforts.

In addition to the apprenticeship program, WANADA recently launched two new training initiatives to great success. The first is a certification for Maryland state inspections. These classes are held exclusively for our members, developed by a recently retired MD State Trooper

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who oversaw Maryland's Vehicle Inspection program for the last eight years of his career. WANADA is bringing you this private class for only \$1,150.00.

Our second offering is designed to help you increase your hours per RO by enhancing your service advisors' product knowledge and sales confidence. Held at the WANADA offices, our live interactive class has a maximum of ten students, which allows for more personalized attention and interaction, unlike online training, which can be isolating.

We are in the process of identifying optimal dates and times for 2024 sessions of the aforementioned trainings. If you have staff that could benefit from either, please contact WANADA's Director of Education Joe Hemberger at <u>jh@wanada.org</u> or 267-346-1700.

# Save the Date for the 2024 WANADA Annual Meeting!

It's never too early to mark your calendar for WANADA's Annual Meeting. This year's event will be held at the **MGM National Harbor on Saturday evening, November 9**. In keeping with recent Annual Meetings, which have been moved from a lunch to a dinner format, the 2024 event will feature premium entertainment and top-tier political commentary. For kindred-line members who are interested in a sponsorship for the 2024 WANADA Annual Meeting, please contact Bob Storin at <u>rs@wanada.org</u>.



#### The WANADA Bulletin is Sponsored by the Following Kindred-Line Members:

