

THE WANADA BULLETIN

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

WANADA Bulletin # 06-24

July 18, 2024

Registration Open for WANADA's Annual Flu Shot Program
WANADA Visits Maryland Political Leaders
July 1 Law Changes in Maryland and Virginia
CDK Files FTC Notice on Behalf of Affected Dealers
Pohanka Publishes Article on Demand Power Charging
Save the Date for the 2024 WANADA Annual Meeting

Registration Open for WANADA's Annual Flu Shot Program

Registration is now open for WANADA's seasonal flu shot program for dealership employees.

WANADA's flu shot program will be available on-site at WANADA dealerships and administered by Farragut Medical & Travel Care. The on-site service will be available for adults aged 18 and older.

The fee for the vaccine will be \$38, and a minimum of twenty (20) participants will be required at each location. Locations with less than 20 participants will be billed as if 20 vaccine doses were administered. The difference will be billed at a rate of \$32 per dose.

As usual, adults 65 and older can get the high-dose flu shot, which offers better protection against the flu than regular shots. The fee for the high dose shot will be \$80. Human immune defenses become weaker with age, which places older people at greater risk of severe illness from influenza. In addition, aging decreases the body's ability to have a good immune response after getting the influenza vaccine. A higher antigen dose in the high-dose vaccine gives older people a better immune response against the flu. Data have shown that that leads to greater protection against influenza.

To have your dealership participate, please register online at <https://www.farragutmedical.com/flu-clinic-request/>. Alternatively, you may call Farragut Medical at 202-775-8500. Please leave a message with our front desk, and your call will be returned. Any request received after August 31 may be subject to vaccine availability.

Farragut Medical will begin conducting on-site visits on September 19th. Upon submission of your registration, Farragut Medical will handle all scheduling. Farragut Medical will contact the dealer's designated representative with the scheduled date/time and forward all appropriate



forms. We coordinate with other locations near your location, but please understand that we will do our best to accommodate your first choice of day and timing.

Farragut Medical will invoice the dealership directly for all flu shots administered via the program, subject to the 20-dose minimum.

[Click here](#) for a copy of the shot permission form that you can distribute to your employees prior to the clinic date.

If you have any questions, please contact Connie Ryan at WANADA at (202) 800-4195

WANADA Visits Maryland Political Leaders

As part of its mission to advocate on behalf of the region's car dealers, WANADA leadership recently spent time with several Maryland political leaders at various functions. WANADA Chairman Jamie Darvish of DARCARS and CEO John O'Donnell are pictured below with Maryland Governor Wes Moore, House Speaker Adrienne Jones, and Angela Alsobrooks aide Ivette Lewis. Mr. O'Donnell also visited with new Montgomery County Chief of Police with Jim Willard of EuroMotorcars.



July 1 Law Changes in Maryland and Virginia

Two changes to how dealers conduct transactions were effective starting July 1 of this year.

In Virginia, the 2023 repeal of the uninsured motorist fee has now gone into effect. Virginia will be an insurance required state for vehicles, so the uninsured motorist line item should not appear on buyers' orders after June 30, 2024. Motor Vehicle Dealer Board (MVDB) Field Representatives will be checking buyers' orders moving forward to ensure compliance. Any uninsured motorist fees collected on or after July 1, 2024 by a dealer will be refunded to the purchaser in its entirety. If you have questions, please contact DMV's Dealer Services Work Center at dealerservices@dmv.virginia.gov.

In Maryland, the statutory cap on the dealer processing increases from \$500 to \$800. The amount of a Dealer processing charge (if any) is determined by each individual dealer - as of July 1 that amount may not exceed \$800. The disclosure requirements for the Dealer processing charge remain the same:

- on sales contract in 12-point type that reads "Dealer processing charge (not required by law)";
- Sticker on the window in at least 10-point type "Dealer processing charge (not required by law)";
- A dealer must provide a written disclosure of the services included in the dealer processing charge ONLY if requested by the customer.

Our friends at MADA have a dealer processing brochure explaining the type of services that may be included as well as services that are NOT included, which is available for purchase [here](#).

CDK Files FTC Notice on Behalf of Affected Dealers

As reported in previous communications, the FTC Safeguards Rule was recently amended to require financial institutions (including dealers) to provide an electronic notice to the FTC as soon as possible and no later than 30 days after discovering a notification event involving the information of at least 500 consumers. A notification event is the unauthorized acquisition of unencrypted customer information.

Questions have arisen concerning whether the security incident reported by CDK on June 19 triggers this requirement. If it does, each dealer client of CDK would be required to file a breach notification with the FTC and complete its data fields including (among other entries) the types of information involved in and a summary of the notification event.

Because information surrounding the security incident is subject to an internal, ongoing investigation by CDK and therefore is unavailable to CDK's dealer clients, dealers are unable to determine whether the federal notification requirement has been triggered.

Accordingly, NADA, in coordination with CDK counsel, proposed to the FTC that the FTC permit CDK to file a single electronic notice on behalf of all of its affected dealer clients should CDK conclude, based on its internal investigation of the incident, that the notification requirement has been triggered.

In such notice, CDK would complete all of the required data fields based on available information, including the identity of its affected dealer clients. A filing by CDK – or a determination by CDK that the notification requirement has not been triggered – would satisfy any reporting obligation the dealer may have under the FTC Safeguards Rule.

The FTC has accepted NADA's proposal. Consequently, dealers have no obligation to file a breach notification with the FTC related to this matter.**

However, Dealers are reminded that (i) the full range of FTC Safeguards Rule requirements remain in effect, and (ii) every state has a breach notification requirement and the FTC's acceptance of this proposal has no effect on state notification requirements. Therefore, it is

important for dealers to consult with legal counsel to ensure they are in compliance with any applicable state breach notification requirements.

CDK will communicate directly with its dealer clients related to this matter.

- - -

** A dealer can opt out of having CDK handle this matter on its behalf in which case the dealer will have to file a breach notification if the dealer determines that a notification event has occurred.

Pohanka Publishes Article on Demand Power Charging

Former NADA Chairman Geoff Pohanka recently published an article on demand power charging via Real Clear Energy. You can read an excerpt of the article below, with a link to the full piece.

###

The road to widescale electric vehicle adoption faces many challenges...and not limited to vehicle affordability and concerns of an inadequate charging infrastructure. In this article, I will explore another barrier that is infrequently discussed...the challenge of achieving public fast charger (DCFC) profitability.

A reliable and convenient network of public fast electric vehicle chargers is a prerequisite to achieve the Biden administration's greenhouse gas regulations that require nearly 72% of U.S. light duty new vehicle sales be fully electric (BEV) or partial plug-in electric (PHEV), by 2032. The vast majority of EV owners now charge at home but this is likely to change with greater EV adoption since many live in a condo, an apartment, or have street parking. Home charging is simply not a possibility. Many older homes lack sufficient amperage in its electrical service, often requiring thousands of dollars of upgrade besides the cost of a level II charger.

Factors that impact DCFC profitability include low utilization percentages (due to the high percentage of home charging and that EVs represent less than 1% of the total US vehicle fleet)...and also high operating costs from demand power charges. Demand power is typically the highest electricity usage during a 15 minute period in a billing cycle and utilities charge a premium for it. By measuring spikes in power demand and charging a higher fee to supply it, a utility is better prepared to deliver electricity under all power demand scenarios and be able to afford to invest in the infrastructure to do so. The cost of demand power at my office location is \$3.41 per kW....which is 22 times more than the overall cost of electricity.

Many utility companies specify the maximum power demand a customer is allowed per month. Exceeding that maximum power demand over consecutive months often results in the customer being moved to a tariff with a higher demand charge. Energy experts have told us that this has lead to power bill increases from \$100,000 to \$200,000 annually for some auto dealerships, due spikes in power demand caused by their use of EV fast chargers.

Continue reading [here](#).

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 rs@wanada.org.



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

