

FTC Warning Letters Put Dealer Advertising Under the Microscope
Virginia Assembly Advances Family & Medical Leave Program
WANADA Around the Beltway
DC Area Sales Reports from Auto Outlook and RL Polk Available
Maryland MVA Updates
Virginia MVDB: New Process for Salesperson Terminations
Save the Date: WANADA Open

FTC Warning Letters Put Dealer Advertising Under the Microscope

The Federal Trade Commission (FTC) has taken a significant step in its ongoing scrutiny of automotive retail advertising, issuing warning letters to 97 dealership groups nationwide regarding what it characterizes as potentially deceptive pricing practices.

While not every dealer received a letter, the implication for the broader market is unmistakable: regulators are actively evaluating how vehicle prices are presented to consumers—particularly where mandatory fees or add-ons are excluded from advertised pricing.

The FTC’s position centers on a longstanding but increasingly enforced principle: advertised prices should reflect the actual price a consumer is expected to pay. Practices that advertise a base price but later require consumers to pay additional, unavoidable charges—such as dealer-installed products or protection packages—are drawing heightened scrutiny.

This development aligns with the FTC’s broader regulatory posture following the proposed CARS Rule and its continued emphasis on eliminating what it views as “junk fees” and misleading advertising tactics across industries.



In response to the warning letters, the National Automobile Dealers Association (NADA) has moved quickly to engage with regulators and provide guidance to its members. NADA will host a timely and high-level webinar featuring both industry and regulatory leadership:

- **Helen Clark**, Assistant Director, Division of Financial Practices, FTC
- **Brian Bennett**, Counsel and Director of Regulatory Affairs, NADA

Monday, April 6 | 1:00 – 2:00 PM ET

[REGISTER HERE](#)

This session represents a rare opportunity for dealers to hear directly from a senior FTC official about the intent behind the warning letters and the agency's expectations moving forward. NADA has positioned the webinar as a practical, compliance-focused discussion aimed at helping dealers adapt in real time.

Since the FTC's announcement on March 13, early industry reaction has centered on risk mitigation and operational adjustments. Many dealer groups—particularly larger, multi-rooftop organizations—are already reevaluating their advertising strategies.

Key trends emerging include:

- Increased inclusion of mandatory add-ons in advertised pricing
- Greater internal legal/compliance review of marketing materials
- Heightened coordination between variable operations and marketing teams
- Reassessment of third-party lead provider pricing displays

There is also growing recognition that inconsistent practices across rooftops or platforms may increase exposure, even for otherwise compliant dealers.

Until further clarity is provided, the most prudent course of action is straightforward:

Ensure that advertised vehicle prices include all mandatory fees and charges, including the dealer processing charge. Only government-imposed costs such as taxes, title, and registration may be excluded.

This approach aligns most closely with the FTC's current posture and materially reduces the likelihood of regulatory scrutiny during this period of active enforcement.

Dealers should also:

- Audit current website and third-party listings
- Review disclaimers for clarity and prominence
- Coordinate with OEM program requirements where applicable
- Consult legal or compliance advisors on edge cases

The FTC's warning letters do not establish new law, but they do signal a more aggressive enforcement environment. How this ultimately evolves—whether through formal rulemaking, enforcement actions, or negotiated industry standards—remains to be seen.

In the interim, proactive compliance and pricing transparency will be essential.

WANADA will continue to monitor developments closely, maintain communication with NADA leadership, and keep members informed as additional guidance becomes available following the April 6 webinar.

Virginia Assembly Advances Family & Medical Leave Program

Virginia lawmakers have advanced SB 2/HB 1207, creating a statewide Paid Family and Medical Leave Insurance Program that is poised to significantly affect employers across many industries, including automobile dealerships. The program will be administered by the Virginia Employment Commission and is scheduled to begin paying benefits on January 1, 2029, with employer and employee payroll contributions beginning July 1, 2028.

Under the new system, benefits will be funded through payroll premiums assessed to both employers and employees. The exact contribution rate will be determined no later than October 1, 2027, based on an actuarial analysis of the program's anticipated costs. Employees will be eligible to receive 80 percent of their average weekly wage, up to a cap set at the statewide average weekly wage, for a maximum of 12 weeks of paid leave in a given application year. Employers with ten or more employees will share the cost of premiums with their workforce, while smaller employers will remit only the employee share. Self-employed Virginians may opt into the program as well.



For auto dealers, the financial and operational effects could be substantial. Dealerships operate with diverse compensation structures—commissioned salespeople, hourly technicians, and salaried managers—making payroll changes more complex than in many other industries. The added payroll premium represents a new fixed cost that dealers must absorb or offset. Industry analyses warn that statewide mandates like this one can influence wages, pricing structures, and hiring decisions, especially in businesses with already tight operating margins. In addition to the financial obligation, dealers may also face increased administrative responsibilities, including tracking eligibility, maintaining health insurance coverage during an employee's leave, and handling the necessary paperwork to ensure compliance. Dealers choosing to operate a private plan in lieu of the state program will need to meet strict equivalency standards and may have to furnish a surety bond.

Operationally, dealerships may experience challenges when key personnel take extended leave. Auto retail is highly dependent on consistent staffing in both sales and service operations. A technician on leave, for example, can slow repair throughput and extend service backlogs. A top-performing salesperson’s absence may affect monthly revenue targets. These disruptions can be particularly difficult for smaller, rural, or family-run dealerships that lack deep staffing benches.

Despite these challenges, the new paid leave program may also provide benefits in terms of employee recruitment and retention. The auto industry has long struggled to attract younger workers, many of whom place a high value on family-friendly benefits. A statewide paid leave guarantee may help dealerships compete with other sectors that traditionally offer more predictable schedules or more robust benefit packages. For positions with high turnover—such as entry-level service roles—this added benefit could serve as a useful differentiator.

SB 2/HB 1207 marks a major shift in Virginia’s approach to workplace benefits. While it will introduce new costs and administrative burdens for auto dealers, it also offers an opportunity to bolster competitiveness in a changing labor market. With several years before implementation, dealers should begin evaluating staffing plans, payroll systems, and whether participation in the state program or a private plan will be the most cost effective strategy moving forward.

WANADA Around the Beltway



Clockwise, from top left: WANADA VP of Operations Joe Koch (left) and Kevin Reilly of Alexandria Hyundai (right) were on hand with DC Attorney General Brian Schwalb (middle) at the kickoff for the St. Patrick’s Day SoberRide initiative of the Washington Regional Alcohol Program (WRAP), which also garnered coverage on the local Fox affiliate when Reilly presented WANADA’s honorary support donation to WRAP President Kurt Erickson (top right); WANADA CEO John O’Donnell and Rob Smith of Fitzgerald Auto Malls joined retired MoCo Police Chief Marcus Jones at the 51st

DC Area Sales Reports from Auto Outlook and RL Polk Available

The latest Washington Auto Outlook—with data through February 2026—is now available for dealers. This month’s report shows that new retail vehicle registrations in the Washington area declined 18.4% year-to-date, with both cars (-22.8%) and light trucks (-17.2%) down from the same period in 2025.

Despite the softer market, the report provides valuable insights into brand-level performance, including notable movements such as Toyota’s increased market share, Tesla’s sharp year-over-year decline, and several luxury brands experiencing double-digit decreases. It also highlights trends in powertrain mix, showing shifts in gasoline, hybrid, and electric registrations across the region.

Dealers will find detailed breakdowns by manufacturer, comparisons to U.S. national trends, recent three-month performance shifts, and updated charts sourced from Experian Automotive. Be sure to review the full report for actionable market insights to support forecasting, inventory planning, and customer engagement.

Download and view the full Auto Outlook report [here](#).

In addition to the Auto Outlook sales report, WANADA also warehouses local registration data from S&P Global Mobility (formerly RL Polk). To access Polk data, [click here](#) and log in with your WANADA membership email and password. If you need assistance setting up your WANADA login credentials or resetting your password, contact Kathy Teich at kt@wanada.org.

Maryland MVA Updates

Prior to getting to the usual updates from our friends at Maryland MVA, please note the COMAR updates were relayed via a draft [MDOT Bulletin](#) on March 23, 2026, and include increased fines related to submitting late titling transactions. These changes will be effective March 30, 2026. [You can view the draft Bulletin here.](#)

The following bullets are excerpted from Maryland MVA’s February 2026 “Talking Points” newsletter. We hope you find this information useful, and if you have a topic, you’d like us to cover in a future newsletter, please send it to Kristin Orlando-Dillahunt at korlando@mdot.maryland.gov.

Vehicle Services - Tips & Reminders

- It is best practice to have the title prior to the sale of a vehicle but if there are instances where you have issued a temporary tag but need to order a duplicate title, submit a request to void the temporary tag to MDDTTS@mdot.maryland.gov and include the temporary tag number, the year, make and VIN of the vehicle to void. You will receive an email to confirm the temp tag is voided.

- Since all ERT vendors now have a change of address transaction, please use your ERT solution to submit a change of address if the customer has a Maryland issued product.
 - If the customer does not have an MD ID or legacy Soundex number, please send an email to MDDTTS@mdot.maryland.gov and include a VR-154 Application for Maryland Change of Address (must be completed and signed by customer), a copy of the customer's identification document, and a copy of the Title Service representative's ID.
- All payments for excise tax adjustments should be mailed to the Refund Unit of Vehicle Services at 6601 Ritchie Hwy, Glen Burnie, MD 21062 Attn. Refund Unit Room 202. Please send a letter explaining why the payment is being submitted and add the vehicle and customer information for the transaction.

Business Licensing & Compliance Updates

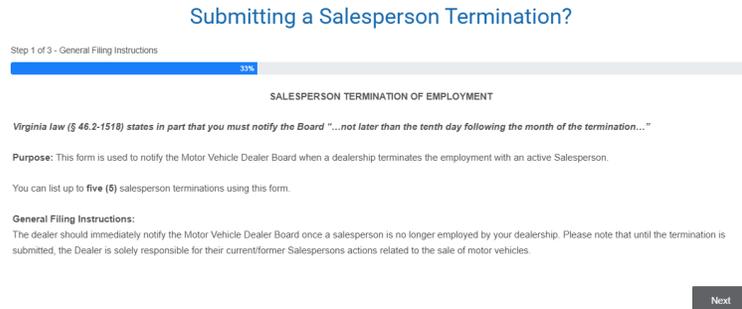
- **Salesman Licensing Reminder-**
 - In 2022 the MD state legislature passed [HB0679](#) which updated the definition of a vehicle salesman.
 - Any individual who, for a commission or other compensation, negotiates with or induces any other person to enter into a financial security, or warranty agreement on behalf of a dealer in connection with the sale of a vehicle must obtain a "Vehicle Salesman" license.
 - For example, a dealership employee (such as a finance manager, sales manager, sales associate, etc.) does not usually perform the typical duties of a vehicle salesman but negotiates with or induces a buyer to enter into a financial security or warranty agreement. This employee *is required* to be licensed as a "Vehicle Salesman."
- **Network Outage-**
 - The MVA will be performing a service update from approximately 10:00PM on Saturday, March 12, 2026 to 10:00AM on Sunday, March 22, 2026. Downtime during this window is expected.
 - <https://mva.maryland.gov/businesses/Documents/bulletins/2026/Bulletin-network%20outage%203.21.26.pdf>
- **Business Licensing and Dealer Services Counter locations-**
 - The counters for both Business Licensing and Dealer Services are currently on the left side of the Glen Burnie branch but will be moving toward the back of the Glen Burnie branch across the hallway from the cafeteria. This change will be affective on Monday April 6th. Look for a bulletin about this move.
- **Reporting lost or Stolen Dealer Plates in the portal-**
 - We have made enhancements to our system to allow dealers to report multiple plates lost and/or stolen in one transaction on the portal. Previously you could only submit one plate per transaction, but that has now been adjusted.

If you have a topic, you'd like us to cover in a future newsletter, please send it to Kristin Orlando-Dillahunt at korlando@mdot.maryland.gov.

Virginia MVDB: New Process for Salesperson Terminations

The Virginia Motor Vehicle Dealer Board (MVDB) has a new streamlined process to submit salesperson terminations to the MVDB.

On the agency website (www.mvdb.virginia.gov), you can now remove salespersons from your dealership by completing the website termination form and following the "Next" prompts. If you have questions, please contact



dboardlicensing@mvdb.virginia.gov. The following link can be used to access the form directly: <https://mvdb.virginia.gov/salespersons/salesperson-termination/>

Save the Date: WANADA Open

Mark your calendars! The 2026 WANADA Open golf tournament will take place on **Monday, May 18, 2026**, at the spectacular **Trump National Golf Club in Sterling, VA**. This annual tradition brings together dealers, industry partners, and friends for a memorable day on one of the region's premier courses.



Registration details will be shared in the coming weeks. For any kindred-line members who would like to purchase a sponsorship for the 2026 WANADA Open, please contact Bob Storin: RS@wanada.org or 301-335-8289.

Be sure to reserve the date and plan to join us for one of WANADA's flagship events of the year!

The WANADA Bulletin is Sponsored by:

