



AADA NEWS AND UPDATE #7 SEPTEMBER 6, 2022



MAKE YOUR VOICE BE HEARD BEFORE SEPTEMBER 12, 2022

As you know, the Federal Trade Commission (FTC) recently denied a request by NADA to extend the comment period on its [proposed rule](#) that would impose a wide range of unwarranted and ill-advised new duties and restrictions on motor vehicle dealers. Dealer opponents are aggressively working to flood the FTC with adverse comments about dealers and the vehicle purchasing process. We need your help to balance the public

record at the FTC.

The FTC's comment deadline is **September 12, 2022**, and NADA Chairman Mike Alford is seeking comments from dealership employees and customers. The comments can be digital or handwritten and submitted at: www.regulations.gov/commenton/FTC-2022-0046-0001 OR by mail at the FTC address included in the easy to follow guidance templates below.

Dealer employee comments. We urge dealers to launch a letter writing campaign for your employees ASAP. [Attachment 1A](#) shows how to file digital or written comments. The goal is to document the dealership's commitment to customer satisfaction and warn the FTC that the new rules will confuse customers and lengthen the sales process. [Attachment 1B](#) provides key messages for impactful letters.

Customer comments. You see satisfied customers in your service lanes and showrooms every day. Those very same satisfied customers, if asked at dealerships, could weigh in with the FTC and provide a more balanced public record. [Attachment 2A](#) will help your employees raise the idea of sending comments to the FTC with customers. [Attachment 2B](#) provides some examples of customer letters.

Goals. Chairman Alford is asking the NADA Board Members to: 1) ask every employee to file comments; and 2) obtain 100 customer comments from each rooftop. Also, please designate someone at your dealership to keep a scorecard of your progress. We know this can be done as Chairman Alford's team identified 40 to 50 customers in a couple of days.

In addition to these efforts, AADA will submit comments on the proposed rule to the FTC. We of course agree with the concept of protecting consumers, and we are generally supportive of common-sense improvements. However, these new FTC regulations would undermine many dealership efforts to improve the customer experience, provide more of the purchase process online, and continue to increase transparency.

We need your immediate help **by September 12, 2022**, to show the FTC what we already know – the retail automotive market is efficient, transparent, evolving and not systemically flawed. We are meeting the individual needs of the overwhelming majority of our customers.



MORE INFORMATION ON NEW EV TAX CREDITS

While the recent Inflation Reduction Act of 2022 (IRA) included EV Tax credits, according to vehicle manufacturers the law essentially makes almost all EV's unqualified to receive tax credits due to where they are assembled, the sourcing of their components, their price, and the incomes of their potential purchasers. The complex requirements caused Automotive News to title an article on the law "New EV Tax Credits Raise Fear of a 'Messy Scenario' in Dealers' Showrooms."

In order to help clarify these tax credits, the **Congressional Research Service**, which prepares analysis for Members and Committees of Congress, devoted its *Insight* publication to the Clean Vehicle Tax Credits in the IRA. The *Insight* provides information about the tax credits for "clean" vehicles, highlighting in visual form the tax credits that were available before the IRA was signed into law, and qualifying criteria for vehicle tax credits during the remainder of 2022, in 2023, and beyond. You can read/download the paper here: <https://crsreports.congress.gov/product/pdf/IN/IN11996>.

In addition to this Congressional resource, NADA is providing a one-page summary, [HERE](#), that outlines the EV tax credit provisions and the timeline for their effective dates.

Please [CLICK HERE](#) for a summary of the IRA legislation prepared by NADA.

ADDITIONAL AND HELPFUL LINKS

If you have any questions about this bulletin please don't hesitate to call, (501) 372-2596, or email Greg Kirkpatrick greg@arkautodealers.com.