



Monthly Bulletin

Chairman's Corner



This year, we came closer than ever to significantly modernizing California’s outdated \$85 Document Processing Charge. While the Governor did not sign our bill, SB 791 passed in the Legislature with overwhelming bipartisan support (with 97 votes in favor and only three against). It was a historic effort that united our entire dealer community and proved what’s possible when we work together.

At Dealer Day, our members held a record 200 legislative meetings, sharing firsthand how dealers shoulder over a hundred state-mandated requirements in every transaction. From that day forward, we kept the pressure on. Our members sent over 1,400 letters, calls, and emails urging support for our bill. This advocacy had a significant impact and advanced SB 791 further than any attempts in recent years.




While the Governor’s veto is disappointing, it doesn’t diminish what we accomplished. Together, our voice is powerful. Legislators, the Governor, and the public saw that California’s franchised dealers are organized, informed, and united in our commitment to fair business practices that serve our customers and communities. We built momentum, told our story well, and made our voice heard. Every meaningful policy fight takes time, and this was just one step in a longer journey.

CNCDA is, and always will be, the first line of defense for California’s franchised dealers. The fight to protect and promote your dealership in California is far from over. CNCDA plans to regroup and prepare to take action in the future.

I’m proud to stand with all of you. When dealers show up, we can make a real impact. Thank you to every member who supported the cause. We have demonstrated that when we speak and act together, CNCDA is one of the most formidable forces in California politics.

Robb Hernandez,
Chairman, CNCDA
Camino Real Chevrolet

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2025 Legislative Update

By: **Anthony Bento, Chief Legal Officer**

Last week, Governor Newsom signed SB 766 (the California CARS Act) into law. Attendees at Dealer Day should note that the version of the bill that the Governor signed into law contains significant improvements over the version that was discussed during the meeting. Even with these favorable changes, SB 766 contains significant new compliance requirements that demand your attention in advance of the bill's effective date of October 1, 2026.

These new compliance requirements include:

- A three-day right to return used vehicles valued less than \$50,000
- Advertising requirements on a vehicle's "total price"
- New consumer disclosure requirements
- A prohibition on the sale of optional products that customers cannot benefit from
- Prohibitions on material misrepresentations to consumers
- New records retention requirements

[To help you comply with this law, CNCDA prepared a white paper outlining SB 766's key compliance requirements, available by clicking here and posted on CNCDA Comply.](#)

Dealers should also note that SB 766 will be discussed in detail during our annual [New Laws Seminars](#) in December, and we will issue additional compliance guidance in the new year.



Update from BAR on Advertising Requirements

By: **Les Swizer, Legal & Regulatory Affairs Counsel**

The Bureau of Automotive Repair (BAR) recently issued an alert, updating automotive repair dealers with new online advertising requirements.

All online advertisements for an automotive repair dealer must include:

- Business name as registered with BAR
- Automotive repair dealer registration number
- Phone number for the business as registered with BAR

These rules, effective October 1, 2025, apply to all automotive repair businesses and were adopted as part of the recent regulations for mobile automotive repair and automotive repair referral services.

To ensure compliance, dealers are advised to review all advertising for completeness under the regulations and verify that the information in their online advertising matches the information registered with BAR. Dealers can confirm the accuracy of all information and update it online by [clicking here](#).

For questions or to discuss, members can call CNCDA's Legal Hotline at **916-441-2599** or email legalhotline@cncda.org.



Important Compliance Reminder for Political Donors: Major Donor Form 461

By: Andrea Daugherty, Political Engagement Manager

Did you or your dealership(s) contribute a cumulative total of \$10,000 or more to state or local PACs and/or candidates so far this year?

If the answer is yes and if all the contributions are from the same entity (including multiple dealerships with the same parent organization), you **MUST** file a Major Donor Committee Campaign Statement (Form 461) by October 31, 2025.*

The Fair Political Practices Commission requires companies that made contributions totaling \$10,000 or more to file a Major Donor Committee Campaign Statement (Form 461). Failure to file campaign statements may result in late filing penalties (\$10/day) and fines (up to \$5,000/violation).

For questions or assistance with your filing obligations, please contact Andrea Daugherty, Political Engagement Manager, at adaugherty@cncda.org.

**File only if contributions were made in 2025 and not disclosed on an earlier statement.*



The Power of Grassroots Advocacy: Your Voice Matters!

By: Andrea Daugherty, Political Engagement Manager

Grassroots advocacy reminds our elected officials that all signed legislation affects real people with real stories. When our members speak up about the issues that matter most, we send a clear and powerful message that we are paying attention!

Reaching out to legislators (via letters, calls, Dealer Day, or dealership tours) helps bridge the gap between policy and lived experience. These conversations inform decision-makers so they understand our perspective.

This year, grassroots participation reached new heights, with a record-breaking 200 franchised dealers joining us at Dealer Day. More members than ever are stepping up, taking action, and making their voices heard in Sacramento. Let's keep that momentum going—plan to join us again next year and help us show lawmakers that California's franchised dealers are united, engaged, and ready to lead. **Please save the date and join us at Dealer Day next year on April 7, 2026.**



Pictured: Mark Normandin (CNCDA Board Member, Normandin CDJRF) & Assemblymember Patrick Ahrens (D-Campbell)

“

CNCDA BUZZWORDS

“Brian Maas, president of the California New Car Dealers Association, said in an emailed statement that the state’s car sellers “were extremely disappointed” by the veto.

Maas said the current \$85 cap on the document-processing fee is “by far the lowest in the country.” The now-dead fee increase, he said, would still have been at “the bottom quartile of such charges across the nation.”

- “Newsom vetoes car dealers’ bill to hike fees on buyers,” CalMatters, 10/15/25

”

Relief Could Be on the Horizon for California Truck Dealers

By: Les Swizer, Legal & Regulatory Affairs Counsel

In August 2025, Daimler Truck North America, Paccar, Volvo Group North America, and International Motors brought suit in the U.S. District Court for the Eastern District of California against California Air Resources Board (CARB) and several named government officials seeking to invalidate a 2023 emissions reduction agreement known as the Clean Truck Partnership (CTP). Under the CTP, truck manufacturers agreed to follow CARB rules in the event they were declared invalid. In June 2025, Congress invalidated two rules on the truck industry (Advanced Clean Trucks and Omnibus NOx), so CARB is relying on the CTP to enforce its rules on the industry. These rules have resulted in a substantial collapse of inventory for truck dealers throughout the state.



The manufacturers argue the agreement is unenforceable because of the revocation of the Environmental Protection Agency (EPA) waiver. The manufacturers argue that they are put into an “impossible position” because while the federal government has issued Cease & Desist letters stating California’s standards are preempted by federal law, CARB is demanding compliance with the standards set in the CTP, which is asserted to be an illegal contract due to the preemption.

To find relief while the case is being litigated, the manufacturers filed for an injunction in September seeking to prevent CARB from enforcing the terms of the CTP. The manufacturers then filed for an expedited hearing on that injunction, which was denied. As of the date of this writing, the date set for the hearing on the injunction is October 31, 2025, at 1:30 pm in Courtroom 8 before District Judge Dena M. Coggins.

If the district court grants a preliminary injunction, it would stay CARB’s enforcement while the case proceeds. If denied, the manufacturers may appeal immediately. If the appeal is unsuccessful, there are several potential resolutions or outcomes:

- **Settlement/renegotiation:** Parties may strike a revised agreement aligning with federal law
- **District court ruling:** The court might accept the preemption argument and enjoin CARB from enforcing until the case resolves, or reject the preemption argument and allow CARB to enforce the CTP standards
- **Appeal/review:** The decision could go up to the Ninth Circuit, and potentially invite Supreme Court review on Clean Air Act waiver and state preemption issues
- **Regulatory rollback or adjustment:** CARB could rescind or modify ACT to conform with federal preemption

CNCDA will be monitoring the progress of this case and will update members accordingly. Should the injunction prevail, California truck dealers will feel some relief and potentially see more inventory as the case works through the system.

In the meantime, if you have any questions or wish to discuss this further with a member of our legal team, feel free to reach out to the CNCDA Legal Hotline at 916-441-2599, or legalhotline@cncda.org.

NAMVBC Fall Workshop Recap

By: Les Swizer, Legal & Affairs Counsel



The National Association of Motor Vehicle Boards and Commissions (NAMVBC) recently held its annual fall workshop. CNCDA's Legal & Regulatory Affairs Counsel, Les Swizer, attended and participated in a panel titled Regulatory Environment: Reckoning on Trade & Tariff with attorneys Chiamakaat Enemuoh and Milla Kasulke from Squire Patton Boggs US, LP. The panel addressed the uncertainty in the automotive industry, considering the looming trade tariffs that affect multiple aspects from both manufacturers' and dealers' perspectives.

Other hot topics covered by dealer and manufacturer representatives included:

- CARB's Advanced Clean Truck regulation impact on RVs
 - Michael Ochs, Director of Government Affairs, RVIA
- Mergers and acquisition transaction procedures
 - Bert Rasmussen, Scali Rasmussen, PC
- Warranty labor rate hearings
 - Gavin Hughes, Hughes Dealer Law
 - Steve Kelso, Greenberg Traurig LLP
- Data privacy and right to repair
 - Kevin Timson, ArentFox Schiff
 - Dallin Wilson, Seyfarth Shaw
- General Industry Hot Topics, including service-only dealerships, mobile service providers, ROFRs, Lemon Law, and more
 - Steve McFarland, Nelson Mullins
 - Lou Chronowski, Barack Ferrazzano Kirschbaum & Nagelberg, LLP
 - Joe Rosener, Fontana Group
 - Mike Sullivan, Group 1 Automotive
 - Kirby Bissell, Bass Sox Mercer

Many conversations centered around tariffs, the EPA's revocation of California's waiver to set emission standards, lawsuits against manufacturers seeking to sell direct, and market uncertainty. The event was manufacturer-heavy, but provided a good opportunity for the industry to connect with regulators from California state agencies, such as the New Motor Vehicle Board and the Bureau of Automotive Repair.

For questions about the event or to discuss further, feel free to reach out to the CNCDA Legal Hotline at **916-441-2599** or legalhotline@cncda.org.

Membership Update: Primary Contacts

By: CNCDA Staff

If you are listed as a Primary Contact for your account(s), you are the main point of contact for all CNCDA-related activities and outreach.

Update Your Account Information

Update your account(s) address, phone number, and website details. Log in to our [Member Portal](#) and navigate to "Manage Account Info" to ensure information is accurate and up to date.



Receive Membership Renewal Notices

You will be the main recipient for all membership dues renewal notifications and related correspondence.

Designate a New Primary Contact

If you prefer to appoint someone else as the primary contact for your account, reach out to CNCDA Membership with the following details:

- Name
- Title
- Email address
- Work phone number
- Mobile phone number

Thank you for keeping your account information current and for your continued engagement!

If you have questions or need assistance accessing the Member Portal, contact us at **(916) 441-2599** or membership@cncda.org for support.

New Issue of California New Car Dealer Quarterly Published

By: Autumn Heacox, Director of Communications & Marketing

The newest edition of California New Car Dealer Quarterly is here, packed with updates and insights for our dealer members. This issue features a message from CNCDA President Brian Maas on consumer choice and the vital role California dealers play in serving their communities.

It also covers highlights from our annual NextGen Retreat, where emerging dealer leaders gathered to discuss the future of the industry.

[Click here to read the digital edition of our magazine.](#)



Aloha from CNCDA's 2025 Annual Convention

By: Crystal Bolaños, Director of Education & Events

CNCDA would like to thank the attendees and sponsors of our 2025 Annual Convention in Hawaii! We appreciate your participation, hope you enjoyed the program, and made meaningful connections. View the event gallery [HERE](#). Use the gallery password: **PdBpA24k** to view photos. To download, please enter pin **8328**.

SAVE THE DATES FOR NEXT YEAR: 9/20-23/26 at the Fairmont Kea Lani in Maui, HI.



CNCDA Advocates at 2025 NADA Washington Conference

By: Autumn Heacox, Director of Communications & Marketing

California dealers had a strong presence again this year at the NADA Washington Conference, underscoring CNCDA's commitment to advocacy at the national level. Sixteen CNCDA representatives held fifteen meetings with Members of Congress and staff to ensure dealer priorities were heard, reinforcing our influence and commitment to advancing pro-dealer, pro-consumer policy.

CNCDA also demonstrated leadership on the national stage. Our NextGen group hosted a dinner for colleagues from other states, building connections and collaboration. CNCDA was also represented on the national NextGen panel, sharing the success of California's program as a model for other states. Dealers urged lawmakers to support the bipartisan PART Act (S. 2238), which would combat catalytic converter theft through traceable parts and new federal penalties, and urged opposition to so-called "Right to Repair" legislation (H.R. 1566/S. 1379), citing risks to consumer privacy and safety.

A special "thanks" to all the dealers who traveled across the country to advocate for our industry!



Support Technician Pipeline Programs

By: CNCDA Foundation Chairman, K.C. Heidler, Tom's Truck Center

CNCDA Foundation's mission is simple: get more qualified technicians into your service departments.

To sustain our work on behalf of dealers, we need to raise \$343,000. Your contribution directly fuels programs that convert students into dealership-ready candidates:



- **Job Fairs** with local colleges
- **Automotive Technology Career Days** that introduce students to dealership careers
- **Internships** (8-week, unpaid, for top college students)
- **Technician Apprenticeships** (2-year training split between your store and a local college)

Thank you for investing in the workforce that powers your service department: The CNCDA Foundation is separate from the CNCDA Association, and so is invoicing. Please pay Foundation invoices as you would your membership dues—your support directly funds technician development across California.

Want more information? Contact Felicia Palombi at (916) 441-2599 or fpalombi@cncda.org.

Sharing Good News: The Pink Acura Experience

By: McKenna Bediamol, Administrative Coordinator

This month, we're shining a spotlight on Fresno Acura, a female, family-owned dealership that's been making a heartfelt impact for more than a decade through its #PinkAcura experience.

For 12 years, Fresno Acura has wrapped one of its vehicles in pink and taken it on the road each October to raise awareness and funds for local breast cancer research. The Pink Acura makes appearances at community events, fundraisers, and schools, collecting signatures and messages of hope from people across the region.



SHARING GOOD NEWS

At the end of their campaign, Fresno Acura donated proceeds to Community Medical Center's Radin Breast Care Center, helping provide state-of-the-art technology and care for local patients.

We are inspired by Fresno Acura's continued dedication to this important cause and the positivity they bring to their community each year. You can read the full press release [here](#).

Have a story like this to share? CNCDA loves highlighting dealerships that are making a difference! [Read September's Sharing Good News page here.](#)

Share YOUR dealership's good news story with us at communications@cncda.org to be featured in a future Sharing Good News spotlight!

Drug-Free Workplaces: Don't Give Up Quite Yet

By: HR Hotlink and Fine, Boggs, & Perkins, LLP



Over the past few years, California's legal and cultural landscape has been trending toward more permissiveness towards drug use, particularly with marijuana. From January 2024, for example, most employers have been barred from using past use of marijuana in making adverse employment decisions. Not only are employers barred from asking about past marijuana use in pre-employment evaluations, but even drug test results that show marijuana metabolites—evidencing use of the drug over recent weeks or months—cannot be used for employment decisions. And effective January 1, 2025, California opened the door to Amsterdam-style marijuana cafés, encouraging people to enjoy legal herb with friends and a sandwich.

While there's talk of possible federal reclassification of cannabis, marijuana use and possession remain illegal under federal law. California's new limits on cannabis testing restrict how employers can check for use. Yet, the state still insists these rules don't weaken an employer's right to maintain a drug- and alcohol-free workplace:

"Nothing in this section permits an employee to possess, be impaired by, or use cannabis on the job, or affects the rights or obligations of an employer to maintain a drug- and alcohol-free workplace..."

In other words, employers must keep workplaces drug-free—even as the state makes it harder to prove impairment. So, how can an employer enforce a drug-free policy when its hands are tied?

Permissible Testing

Historically, drug testing falls into three general classifications: pre-employment screening, random drug testing, and reasonable-suspicion testing. Even in California, each may still play a role.

• **Pre-Employment Screening**

This is still permitted, provided that the employer subjects all applicants for affected positions to the same screening protocols. And pre-employment screening for drugs other than marijuana continues to be recommended as part of every rigorous hiring process designed to limit potential bad hires.

Even the restricted drug screening requirements allowed for marijuana can play a role in a pre-employment screening regimen.

Under the new standards, testing is only permitted through protocols designed to flag psychoactive THC—where the individual is impaired at the time of the test—instead of lingering metabolites left over from previous highs.

• **Random Drug Testing**

Dealerships should not utilize random drug testing in employment. Only where mandated by federal law (such as through DOT regulations) or where the position is unequivocally safety-sensitive is such testing ever allowed.

• **Reasonable Suspicion Testing**

Most dealerships and other employers maintain drug-free workplace policies and keep an eye out for signs of drug use in the workplace. Under the rules, employers in California may continue to test for unlawful influence of drugs where there are signs that provide reasonable suspicion that an individual may have in their system or be under the influence/impaired by unlawful drugs or even prescription drugs if misused. To trigger such a test, the employer must have actual observational or similar information to support a reasonable and objective suspicion; acting on a hunch is not sufficient.

What Should We Watch For?

• **Physical Signs of Substance Abuse**

These may include dilated or constricted pupils; bloodshot, watery eyes; balance and coordination problems; physical tremors or unexplained shivering or sweating; fidgeting; chemical odors; sleepiness or distraction; or poor grooming.

• **Behavioral Signs of Substance Abuse**

Watch for signs of absenteeism and chronic tardiness; productivity drops; withdrawn behavior; or other behavioral changes.

• **Psychological Signs of Substance Abuse**

Changes in personality, sudden and inexplicable mood changes, paranoia, and trouble focusing have been noted as signs of drug use. *Continued...*

Drug-Free Workplaces: Don't Give Up Quite Yet (Cont.)

What Steps Should We Take?

Initial suspicions observed or reported to management should be considered and confirmed through further observation—ideally by more than one manager or supervisor.

Employers should not rely solely on workplace gossip to trigger testing. Observations should be documented. You may also want to seek legal advice as to the sufficiency of the evidence of reasonable suspicion before triggering testing. Don't wait too long, or the opportunity may be lost.

If testing is indicated, you should inform the employee of the decision to conduct drug screening and take the employee to the lab immediately. Do not allow or permit the employee to drive or otherwise self-report to the testing center. Not only does this avoid the obvious safety problem caused by instructing one suspected of being intoxicated to operate a motor vehicle, but it also limits opportunities for the employee in question to interfere with the validity of the test by introducing other substances that might dilute or invalidate the results.

Common Pitfalls to Avoid

Note that most of the symptoms described above can be very non-specific, with most having potential triggers unrelated to drug use. Employers should take care to avoid Confirmation Bias: the risk of interpreting ambiguous signals to confirm the anticipated result. This is why it can be important to gather observations from multiple individuals and review signs with a healthy degree of skepticism.

Avoid knee-jerk testing decisions. Many employers have historically conducted post-accident testing regardless of the circumstances. Before triggering post-accident testing, you should review the circumstances and determine whether intoxication may have played a role, and gather information that it did.

Finally, be sensitive to employee privacy issues. Observations and test results should be conducted discretely to protect the privacy of those affected.

If you have questions about such testing or any other aspect of maintaining a drug-free workplace environment, contact John Boggs at Fine, Boggs & Perkins LLP, at JBoggs@EmployerLawyers.com or (650) 712-8908.

Acura in The Showroom Courtesy of Niello Acura

By: McKenna Bediamol, Administrative Coordinator



For the next month, The Showroom is dazzling in blue with a 2026 Acura MDX with A-Spec Advanced Package courtesy of Niello Acura. It's got everything you need so you can take on holiday travel in style! Come check it out at 1517 L St in Sacramento.

Interested in our event space? One of your vehicles could be the backdrop at your next event hosted in The Showroom! With A/V capabilities, a private bar, and flexible layouts, we'll help set the stage for an unforgettable event.

To display your vehicle or host an event in The Showroom, contact Cathy Mason, Director of Operations, at (916) 441-2599 ext. 115 or cmason@cncda.org.



UPCOMING 2025 EVENTS

Register at cncda.org/events

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Presented by:
AMBERLY ALLEN
FOUNDER & MANAGING PARTNER





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11 AM - 12 PM



PRESENTED BY:
BRAD MILLER, CO-CEO & CHIEF LEGAL OFFICER

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Thank you for reading!

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