# BULLETIN

COLORADO AUTOMOBILE DEALERS ASSOCIATION



CADA ON-DEMAND
YOUR SOURCE FOR DEALER EDUCATION





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#### 2025 EVENTS CALENDAR

January - May

**Colorado Legislative Session** 



February 12

Q1 Board Meeting



April 17-20

Colorado Auto Show - Industry Night



June 11

**Q2** Board Meeting

June - August

**Regional Meetings** 

Sept. 8-10

Project DC & Q3 Board Meeting

October 8

**Golf Event - Clear the Air Foundation** 

November 13-14

Strategic Planning Retreat

November 13

**Colorado Automotive Hall of Fame** 

December 10

Holiday Luncheon & Q4 Board Meeting

More details will be provided about each of these events. For questions, please reach out to Margo Finer at margo@colorado.auto.



#### California Clean Cars II Rule

As Chairman of our Board, I write to you today with urgency and clarity on a matter that strikes at the heart of our industry's future: the California Clean Cars II Rule. This regulation, adopted by the California Air Resources Board (CARB), mandates that 100% of new light-duty vehicles sold in the state must be zero-emission by 2035, with steep interim targets starting as soon as 2026. Though framed as a state-level initiative, its reach is national—17 other states have the option to adopt it, and many already have or are considering it. This is, in effect, national policy set by one state.

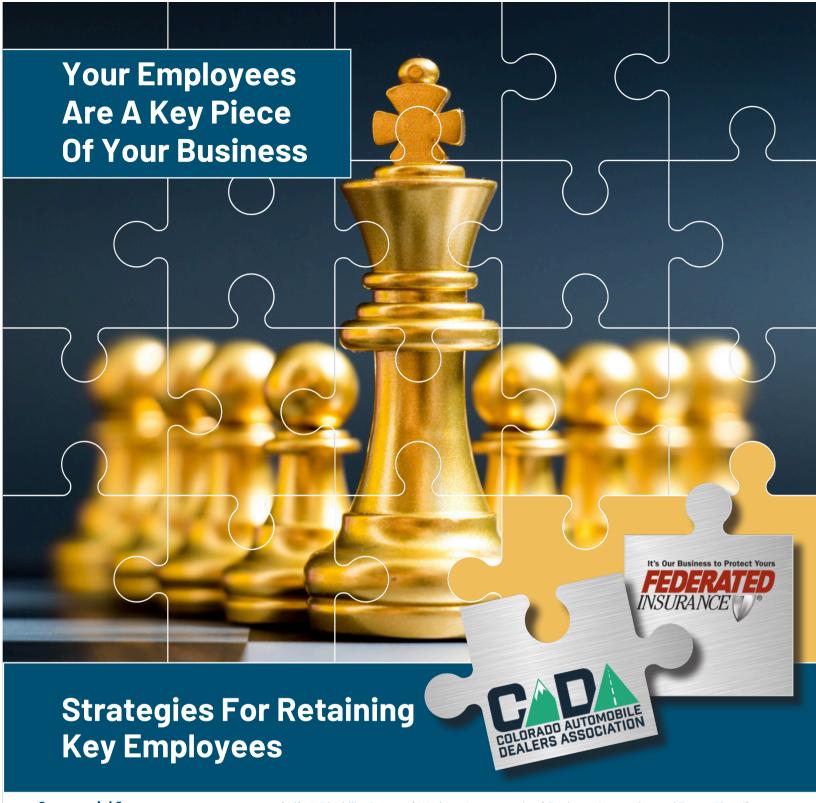
We must not allow this to stand unchallenged. Congress has a responsibility to ensure that national standards are developed through proper federal channels, in ways that are achievable, equitable, and reflective of diverse economic conditions across all states—not just California's.

This week marks one of the most meaningful weeks in the past 8 years. The Senate is set to pass a Congressional Review Act which would express disapproval of the Clean Cars II Rule. You've seen the outreach, from NADA, from Toyota, from GM. While not a done deal, it appears as though they have the votes. Striking this rule should free our manufacturers from the unrealistic timeline and burdensome financial penalties that were associated with failing to meet the interim ZEV credit goals.

Our industry supports cleaner air and continued innovation. We are investing billions in electrification, fuel efficiency, and alternative powertrains. But the Clean Cars II Rule imposes unrealistic mandates that disregard market realities, infrastructure limitations, and consumer choice. It threatens to disrupt supply chains, limit vehicle availability, and ultimately place burdens on working families who cannot afford or access EVs at the pace California demands.

This is not just about one rule in one state. It is about who sets national policy—and how. Congress must reassert its constitutional authority and prevent the delegation of de facto national regulatory power to a single state agency. We urge you to reach out to your congressional representatives and express strong support for legislation or amendments that would strike down the California Clean Cars II Rule and reestablish uniform federal vehicle emissions standards.

Even with this rule struck, Colorado remains an environmentally-focused state with a variety of state goals that will still touch transportation and light duty vehicles. CADA will be at the forefront of helping to shape what comes next and make sure that it meets our goals of feasibility and balancing the economy with the environment.



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#### The Value of Dealer-Legislator Relationships

It goes without saying that CADA's primary value to the dealer body is legislative representation. We have such great engagement with both the federal and state delegations that it sometimes feels like we are in multiple places at once. However, Colorado's system of term limits (4 in the House, 2 in the Senate) combined with our system of vacancy committees, makes maintaining those relationships a year-round job.

In Colorado, approximately one-third of state legislators have entered office not through public elections but via appointments by party vacancy committees. These committees, often comprising a small group of party insiders, are convened when a legislator resigns mid-term. For instance, in 2019, a six-member committee appointed Perry Will to a House seat with just four votes. In some cases, like Senator Will's, this yields a good outcome. But, in others, it puts unfamiliar faces in office.

So, as the days get longer and legislative session adjourns, the CADA team is taking to the road to cover this ground and attempt to get to every new representative in their home district. We often use the election cycle to

start building these relationships, but in cases of appointed vacancies, we are really starting from square one. Not unlike vendors who simply show up in your lobby hoping to get 10 minutes of your time. This alone, has made me be nicer to vendors.

This is where dealers come in for our summer plans. Our current LGM strategy is to facilitate 1:1 meetings with legislators inside of dealerships. To give them a point of contact for industry outside of CADA. Thus, as we travel the state for regional meetings this year, you may get requests from me to host a local representative. This is especially meaningful in the metro areas where the sheer volume of people is overwhelming. In the outlying parts of the state, I often find that you've known your "new" representatives for decades. That's also a huge help.

This practice of 1:1 meetings helps build familiarity for those moments when I'm frantically asking you to e-mail your representatives. The likelihood of you getting a response will always be a multiple of the likelihood of Brownstein or CADA. We have seen representatives acknowledge dealers from the

dais in committee hearings, recite their anecdotes in defense of our legislation, and call out mistruths or half-truths from the opposition based on things they learned in our meetings. All of this strengthens our cause and provides you with a valuable resource for all things local. If we are successful, we will meet without 25 out of 100 representatives this summer. We will have additional meetings with local chambers and in-state vendors as well. Combine that with our regional meetings and our 1:1 visits with dealers, and this is the type of summer workout plan that keeps us coming into legislative seasons healthy and in shape. We thank you all for your participation, which makes this all possible.



#### **End of Session Overview**

### 2025 Legislative Session Recap: A Challenging Year for Colorado Dealers

The 2025 legislative session concluded with significant fiscal and policy challenges shaping nearly every conversation at the Capitol. Faced with a \$1 billion budget deficit, lawmakers prioritized cost-cutting measures, explored new revenue options, and advanced a host of regulatory proposals—many with notable consequences for the state's franchised new car dealers.

Over the course of the session, CADA monitored close to 50 bills—28 originating in the House and 19 in the Senate—spanning topics such as emissions oversight, consumer rights, workforce standards, tax policy, and dealership operations. Our advocacy took many forms, including legislative drafting, amendment negotiations, coalition-building, and direct engagement with lawmakers. Through it all, our commitment remained clear: defending a fair, competitive, and sustainable business environment for dealers across Colorado.

#### <u>Legislative Highlights: Key Bills Passed</u>

### HB25-1076 - Vehicular Document Piracy (Support)

Signed into law on March 14, this bill increases criminal penalties for document fraud involving

titles, temporary permits, and registrations. CADA supported this measure to protect legitimate dealers and consumers from the growing threat of document forgery.

### HB25-1122 – Automated Driving Systems (Support)

This bill establishes a legal framework for the testing and operation of automated driving systems when a human is physically present in the vehicle. It provides clear guardrails for innovation while maintaining safety standards. CADA supported this modernization effort, which benefits both tech developers and retail dealers.

### SB25-075 - Dealer Licensing Criminal Lookback Reform (Oppose)

This legislation reduces the Dealer Board's lookback period on criminal convictions from 10 years to 3. Although it passed, CADA opposed the bill due to concerns over consumer safety and public trust in dealership operations.

### HB25-1054 - Emissions Program Audit Repeal (Oppose)

Eliminates the requirement for periodic legislative audits of the state's emissions program. CADA opposed this repeal, believing that the transparency of an audit of a government program is a good thing.

### HB25-1090 – Junk Fees and Pricing Transparency (Neutral)

Signed into law on April 21, this consumer protection bill requires all mandatory charges to be disclosed upfront in advertised pricing. An exemption was negotiated in which would provide safe harbor for a dealer demonstrating that they've complied with the Federal Truth in Lending Act (TILA).

### HB25-1224 - Unclaimed Property Modernization (Watch)

Updates how unclaimed property, including vehicle-related items such as refunds and records, is managed. CADA took no formal position but supports the added administrative clarity.

### SB25-306 - Performance Audits: Air and Labor Divisions (Support)

Mandates regular performance audits of two major regulatory agencies. CADA supported this effort to improve transparency, reduce inefficiencies, and ensure science-driven rulemaking.

#### **Key Bills - Failed or Postponed**

### SB25-160 - Franchise Law: Affiliate Sales Ban (Support/Sponsored)

Introduced to clarify that OEM-affiliated entities cannot bypass franchise laws by selling directly to consumers. The measure passed the Senate but timed out in the House, under the suggestion that it would be vetoed. Likely to return in 2026.

### SB25-005 - Collective Bargaining Reform (Oppose)

This bill would have removed the secondary ballot requirement for forming public sector unions. While it passed the legislature, Governor Polis is expected to veto the measure. Labor groups are already signaling plans for a 2026 ballot initiative.

#### HB25-1118 - Catalytic Converter Theft (Support)

The bill proposed allowing the use of EPA-compliant catalytic converters under certain conditions, such as when a vehicle's catalytic converter has been stolen or fails, and the owner cannot obtain a CARB-compliant replacement and would have strengthened penalties and tracking requirements to address rising catalytic converter theft. Despite bipartisan support, the bill died in the House Appropriations Committee due to fiscal constraints.

### SB25-157 - Deceptive Trade Practices Expansion (Oppose)

Proposed broadening the definition of deceptive trade practices under Colorado law, which would have exposed dealers to new litigation risks. CADA opposed the bill, and it was ultimately defeated on the Senate floor.

### HB25-1044 - Local Registration Fee Authorization (Oppose)

Would have allowed counties to impose additional fees on vehicle registrations for local transportation projects. CADA opposed this effort due to concerns about fee fragmentation and consumer costs. The bill was postponed indefinitely.

### SB25-217 – Dealer Licensing Felony Disqualifications (Oppose)

This proposal would have introduced automatic disqualifiers for dealer licenses based on felony convictions. CADA opposed the bill and emphasized the importance of discretion by the Dealer Board. The measure failed in Senate Judiciary.

### What's Next: Summer Advocacy and 2026 Preparation

CADA plans to reintroduce the SB25-160 Franchise Law Amendment in the 2026 session, reinforcing that all OEM-affiliated sales entities must comply with Colorado's franchise statutes. As direct-to-consumer

sales models continue to evolve, maintaining a level playing field remains one of our highest priorities.

#### **Summer Outreach and Next Steps**

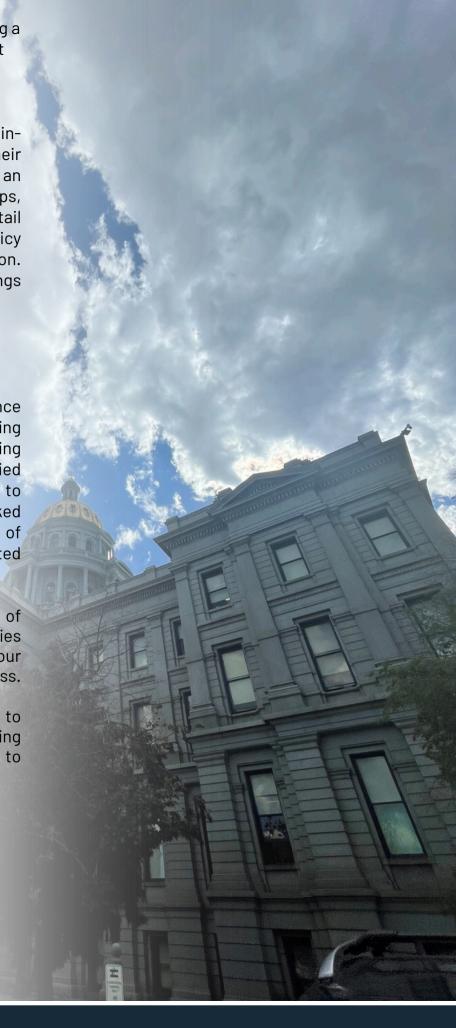
This summer, CADA will be coordinating indistrict meetings between dealers and their state legislators. These local events offer an important opportunity to build relationships, highlight the economic impact of the retail auto industry, and lay the foundation for policy conversations ahead of the 2026 session. Dealers will receive invitations as meetings are scheduled in their regions.

#### Legislative Presence and Member Involvement

CADA maintained а strong presence throughout 2025 the session-engaging directly with lawmakers, shaping amendments, and working closely with allied organizations. From emissions audits to dealer licensing standards, our team worked continuously to ensure the interests of Colorado's new car dealers were represented in policy discussions

We appreciate the input and participation of our members who helped guide our priorities and outreach efforts this year. Your engagement remains essential to our success.

For questions about specific bills or to express interest in hosting a future meeting with your local legislator, please reach out to the CADA Government Affairs team.





### Rev Up Your Sales: Six Strategies to Drive Showroom Success

As we gear up for the new model lines and the pre-summer sales surge, it's the perfect time to fine-tune your sales strategy. With JD Power and GlobalData forecasting a 4% increase in global new vehicle sales this year, Ally Financial suggests six key tactics to help your team make the most of the high-traffic periods and PVR opportunities.

#### **Boost Your Online Presence**

By the time customers walk into your showroom, they've already done their research. Make sure your website is up-to-date, showcases your inventory, and highlights all your offerings so they can make informed decisions.

#### **Ask the Right Questions**

Every customer has a unique story. Your team should be ready to tailor the sales experience to each individual customer. The more you understand their wants and needs, the quicker you can match them with the perfect vehicle. Here are some sample questions to get you started:

- Are you a frequent road tripper or daily commuter?
- Need space for sports equipment or extra luggage?
- How important are extra safety features to you?
- Do you need some muscle for towing?

#### **Sharpen Your Sales Game**

Even the best salespeople need practice. Use the questions above to test different pitches within your team, so they can find their groove and adapt on the fly. Don't shy away from training techniques like role-playing. The more comfortable your team is, the more confident they'll be when it counts.

#### **Personalize Your Team's Incentives**

Motivation isn't one-size-fits-all. While cash bonuses are great, some employees might value extra PTO, recognition, swag, special parking, event tickets, gift cards, or other perks. Talk with your team to find out what drives them, then customize your incentives to keep them closing deals.

#### Set the Stage

First impressions matter. From the showroom to the lot and even the service bay, it's crucial to keep your dealership in pristine condition. Well-placed posters, brochures, and other marketing materials can also help you seal the deal.

#### Make Referrals Your Secret Weapon

A great experience doesn't just earn a sale — it turns happy customers into your best marketers. Finding ways for your customers to share their positive experiences with others – both in the real world and online – can help bring in new business.



#### **Scholarships Change Lives**

The Clear the Air Foundation runs on donations, primarily vehicles, but we also accept cash if you just aren't seeing the older vehicles being traded in. There's a lot of life left in these junkers, even if they aren't operating on Colorado's roads any longer. So far, we've recycled 9,464 vehicles and we're on track to surpass 10,000 all-time donations by the end of the year. While I take pride in helping to clear Colorado's air, the significant benefit is in our commitment to helping people get established in a career that can last a lifetime and provide financial stability.

To date, we've awarded 217 scholarships with a total value of \$862,552 to auto techs working at your dealerships! I plan on breaking through the \$1,000,000 mark by the end of the year.

These scholarships are transformational, as the recipient can choose between using the \$2,500 award for tuition or tools. If they choose tools, they will receive around \$5,000 worth of tools thanks to the student discount available. This is lifechanging, as many people getting started in this industry are struggling to make ends meet. This is one way we can work together to provide a much-needed boost.

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Juan Soto Varela with Audi of Denver received a \$2,500 tool scholarship

"Thank you so much for this incredible opportunity. I am truly honored to be selected as a recipient of the Clear the Air Foundation Scholarship.... Your investment in my future motivates me to work even harder toward my goals.

With the tools and resources this scholarship provides, I will be better equipped to succeed in the industry and make a meaningful impact....Your encouragement has been both inspiring and helpful, and I look forward to putting this opportunity to good use."





#### **Trainings and Education**

Trainings for your employees given by outside companies can often be boring and potentially irrelevant. The trainings offered through your membership with CADA aim to address both of those problems. First, we focus only on the topics that are truly necessary, and we wade through the sea of vendors so you don't have to. We act as gatekeepers, hopefully freeing your schedule of having to sort through emails from various vendors asking to give a seminar on the next greatest and latest item or service. With our training programs, you're only given was most important.

Secondly, the trainings offered are short, pre-recorded and easily available. You don't have to pay extra for these and your employees can utilize them whenever you'd like. With staff having busy and unpredictable schedules, gathering everyone together to sit through a session isn't always realistic. Our trainings can be viewed by your staff whenever is most convenient for them.

Lastly, you can access all the training you need from your desk. You don't have to travel across the state or country to obtain it. Head over to the Education & Training portion of the CADA website to easily discover all the trainings. Our training is relevant, convenient, and accessible. From cybersecurity, to accounting and purchasing strategies, you have access to free trainings covering all types of issues you might face. Check out a couple of our latest trainings below from our online resources bank:



### A Day in the Life of a Ransomware Attack

A Day in the Life of a Ransomware Attack by Comcast Business delves into the chaotic and stressful world of a ransomware attack. Follow the journey from the initial breach to the frantic efforts to contain the damage, recover data, and restore normalcy.

View the On-Demand Training Sessions



On-Demand Trainings

#### **Purchasing Strategies**

Purchasing Strategies by StrategicSource focuses on uncovering how dealerships are overspending by an average of 25% due to inefficient purchasing strategies.





## Check out the most recent training







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