

# 5 Things for Dealerships to Check Up on in 2022

Insights 2.01.22

It's time for a checkup – and no, we're not just talking about Omicron. After all, we're not medical doctors over here at Fisher Phillips. And, for the most part, you won't catch us in white lab coats. But we are here to give you the checkup that you need to keep your dealership healthy and protected from legal risks in 2022. Here are five things that you could be checking up on right now:

- 1. **Employee Handbooks.** Many dealerships have them, but <u>every</u> dealership should have them. Employee handbooks not only help dealerships comply with state and federal laws, but they outline your company's values, culture, and policies for your employees. As we roll into a new year, applicable laws are bound to change. Keeping your handbook up to date with those changes might just be the booster you need to stay on top of 2022.
- 2. **Vaccination Policies.** Speaking of boosters, there is a patchwork of laws across the nation addressing employer vaccine requirements. Your legal obligations could vary drastically depending on nothing more than your zip code. But regardless of whether you operate in the largest city or tiniest town in the country, we can check up on your policies to get you ready for 2022.
- 3. **Drug Testing Policies.** Does your dealership test employees or applicants for drug use? Are you considering testing employees or applicants for drug use? Once again, different states have different laws when it comes to what your dealership can or cannot do. Although the use of recreational marijuana is federally restricted, more and more states are rolling back their own restrictions. Some states are modifying their drug testing laws and adding requirements that affect whether dealerships can base hiring decisions on a positive test result. Dealerships that drug test employees or applicants should consult with counsel to ensure that their policies are lawful.
- 4. **Background Checks.** Here's the background on background checks: 2021 brought with it a slew of new laws. Your dealership may be faced with regulations covering what it can or cannot consider when conducting background checks. For example, there may be laws where you do business that restrict whether you can consider an applicant's criminal history before making a conditional offer of employment. If you conduct background checks on employees or applicants, now is a great time to check up on your policies to ensure they comply with the law.
- 5. **Paid Sick Leave Laws.** Many dealerships across the country are facing new paid sick leave obligations that lawmakers have passed in the wake of COVID-19. These laws may affect all aspects of your dealership's sick leave policies: from the time that sick leave starts accruing to

whether unused sick leave accrued in one year may be carried over to another year. The last thing dealership owners want is for their own sick leave policies to start giving them headaches. Your legal counsel can assist you to navigate the avalanche of legal obligations that are facing your dealership.

There is hardly a better time than the start of 2022 to take a step back and make sure that your house is in order. Your Fisher Phillips attorneys stand ready to help you ensure that your dealership's policies comply with complicated federal, state, and local laws so that you can focus on growing and developing your business as you see fit. It's the beginning of a new year. It's time to give your dealership a checkup.

We will monitor these developments and provide updates as warranted, so make sure that you are subscribed to <u>Fisher Phillips' Insights</u> to get the most up-to-date information direct to your inbox. If you have further questions, contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our <u>Automotive Dealership Industry</u> Team.

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