



From NADA's Legislative Office...

ACTION ALERT



IMMEDIATE RESPONSE REQUESTED

August 3, 2009

“CASH FOR CLUNKERS” PROGRAM IN JEOPARDY

Program to be Suspended Unless Senate Votes to Extend

Last Friday, the House of Representatives passed H.R. 3435 to extend the “cash for clunkers” program by reallocating \$2 billion in Recovery Act funding (without adding to the deficit). However, some Senators are opposing the funding or attempting to alter the fuel economy standards in the program. With the House out of session, **any changes to the clunker program made by the Senate will kill the bill and force the Department of Transportation to suspend the program.**

Passage of H.R. 3435 will ensure payment for all dealers who have completed “clunkers” transactions, but have not yet been reimbursed. The Senate must resolve the tremendous uncertainty for dealers and consumers by passing H.R. 3435 **without amendment** in the next few days.

***** IMMEDIATE ACTION NEEDED *****

Dealers and dealership employees are urged to immediately call their Senators to support H.R. 3435 to ensure additional funding. Senators should be urged not to make any changes to the bill.

Senators can be reached through the Capitol Switchboard at 202-224-3121 or you can find your Senator's contact information by visiting www.senate.gov.

Ask your Senators how they will vote and send an email to legislative@nada.org so NADA can keep track of the votes.

When talking to your Senators, use the following arguments in support of additional funding for the cash for clunkers program:

- *Consumer Benefits* - This popular “stimulus” program allows families to directly benefit by helping them afford a newer, safer, and more fuel efficient vehicle.
- *Environmental Benefits* - Preliminary data indicates that consumers are trading in older vehicles to purchase vehicles with markedly better gas mileage, **with an average 9.6 mpg increase in vehicle fuel economy.**
- *State and Local Government Revenue* - Most states and many localities rely heavily on vehicle sales and excise taxes. Increased car sales provide an immediate increase in sales tax revenue to local communities.
- *Successful Economic Stimulus* - Getting consumers back into the showroom on Main Street boosts jobs and the broader economy.

For help with technical issues on the “cash for clunkers” program, email clunkers@nada.org.