



Federal Advocates Inc.

1701 Pennsylvania Avenue
Suite 300
Washington, DC 20006
Phone: (202) 351-6855
Fax: (202) 351-6855
www.federaladvocates.com

December 29, 2009

To: Mike Linn and Keith Whann
From: Sante Esposito
Subject: December 2009 Monthly Report

Dodd's Financial Services Reform Bill

There is still much opposition to the bill in its current form. Dodd is taking the position that if there are to be exceptions to the basic text (for example, an exemption for the auto industry) that will have to come from individual Member champions. Senator Tester (Dem-Montana) has expressed interest in pursuing the auto industry's concerns. Sen. Bayh (Dem-Indiana) and Sen. Kohn (Dem-Wisconsin) have indicated that they would support Tester's efforts. Accordingly, an amendment is still being explored for Tester. Federal Advocates (FA) will continue to monitor developments on the legislation and the amendment.

Frank's Bill

In coordination with NIADA headquarters and its dealers primarily in the 12th District of North Carolina, FA continued to work to ensure continued inclusion in the bill of the automobile dealers exemption provision, as contained in the reported version of the bill. On December 11, during House consideration of the bill, Congressman Watt withdrew his anti-auto dealer amendment, leaving in place the compromise language in the bill which NIADA helped develop and lobby for. During his remarks on the Floor, Watt mentioned that auto dealers across the Nation had been lobbying him on the issue.

NADA-FA Meeting

Federal Advocates is in the process of coordinating, through Michael Harrington, an introductory meeting in January between the two advocacy arms of NIADA and NADA.

NIADA Congressional Database

The Association has developed a database which would link NIADA members to specific

congressional districts/states. This provides the Association with an easily accessible and extremely important tool for advocacy in Washington, D.C. The database was first activated, and successfully so, to exert pressure on Congressman Watt to not offer his anti-auto dealer amendment during House consideration of the Frank's bill.

Consumer Group Meetings

The Association is currently reviewing a list of D.C.-headquartered consumer groups, provided by FA, to identify potential meeting opportunities in the near future.

Rush's FTC/Auto Industry Bill

H.R. 2309, the "Consumer Credit and Debt Protection Act" introduced by Congressman Bobby Rush, gives the FTC authority to expedite rulemakings concerning consumer credit or debt. Specifically, in part, it directs the FTC to examine the practices of automobile dealers with respect to credit and lending and to prescribe rules necessary to prevent unfair and deceptive dealer acts or practices. Lastly, it gives the FTC authority to pursue civil action against certain offending entities. FA discussed the bill generally with Tim Robinson of Rush's Subcommittee staff. He said the bill is still "very much alive" since the auto industry came out of the Frank's Consumer Financial Protection Bill markup still under the auspices of the FTC. Whether/when H.R. 2309 moves is another question, he said. NIADA has completed a general review of the bill and is currently reviewing it in greater detail, and pending that, a letter may be drafted to Congressman Rush expressing the Association's position/concern(s) on the legislation and requesting a meeting on the issue.

Hill Meetings

FA, in coordination with NIADA, is in the process of developing a proposed agenda for D.C. meetings with key Members/staff at the beginning of 2010. The purposes of the meetings are to introduce the Association in a more formal way; address issues of interest; begin relationship building with key players; etc.

PAC

The Association is pursuing over the next months the advisability and feasibility of creating a PAC so as to be in a position of making political contributions to key Members of Congress.

Legislative Survey

Last month the Association emailed to its members a "Legislative Survey" which focuses on identifying and quantifying NIADA members' relationships with Members/staff of Congress. The purpose of this effort is to learn where the Association has direct, personal and/or professional relationships with Members/staff of Congress through its individual members.