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To: Mike Linn
Keith Whann
From: Federal Advocates
Subject: October 2009 Monthly Report

Consumer Financial Protection Agency

Federal Advocates has advocated on behalf of NIADA in support of an amendment to Rep. Barney Frank's bill to develop a Federal Consumer Financial Protection Agency (CFPA). Along with the NADA, Federal Advocates utilized its extensive contacts with the Staff and Members of the House Financial Services Committee to ensure passage of an Amendment offered by Rep. John Campbell (CA) to exclude auto dealers from the CFPA. The amendment passed with a last minute provision that "buy here, pay here" transactions remain regulated by the CFPA. In particular, we actively worked with a number of Democratic offices to ensure passage of the amendment. The following were our activities relative to this effort:

- Met with Congressional staff to key swing vote members to educate them on the bill and its effects on the Auto industry and NIADA members in particular
- Reached out to all Committee members offices and key staff to alert them to the upcoming vote and NIADA's position
- Worked with NADA staff and consultants to develop an on-going approach to the CFPA
- Identified Democratic members that should be targeted for calls by NIADA members
- Worked with staff members from Rep. Adler and Rep. Kosmas' office to secure their vote for the amendment

Consumer Groups

In order to develop a pro-active relationship with those groups that consistently voice opposition to auto dealers without input on their positions' impact business, Federal Advocates has forwarded a listing of potential consumer groups that NIADA should actively pursue a relationship with in order to assist more closely monitor their issues and to pro-actively offer solutions and input relative to the Independent Dealer community.

Pending Legislation

Federal Advocates performed a search for pending legislation that would affect the NIADA. After reviewing all bills, we identified 54 bills that include some reference to automobiles. Upon further review, we forwarded to Mike Linn and Keith Whann a final list of the 7 bills we felt were most appropriate to the industry. Once NIADA has an opportunity to review those bills and determine which hold the most interest or concern to members, Federal Advocates will begin to monitor or advocate where necessary.

NIADA Visits (Arlington, TX)

On October 26, Federal Advocates visited NIADA headquarters in Arlington, TX to meet with staff and to discuss issues of key importance to the association as well as processes going forward. The meetings provided an opportunity to better understand the various needs of the Association and to get to meet the individual issue area staffs. Specifically, the trip allowed Federal Advocates staff to discuss communications efforts with members of Congress through NIADA member relationships and contacts. As discussed, development of an outreach tool will greatly help the Association's efforts in Washington, DC

H.R.100

Title: To amend the Internal Revenue Code of 1986 to provide a credit for the State and local sales taxes paid on the purchase of an automobile.

Sponsor: Rep Dreier, David [CA-26] (introduced 1/6/2009) Cosponsors (4)

Latest Major Action: 1/6/2009 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

SUMMARY AS OF:

1/6/2009--Introduced.

Commonsense Auto Recovery Act of 2009 - Amends the Internal Revenue Code to allow individuals and small employers a tax credit for state and local sales taxes paid on the purchase of a passenger motor vehicle (not more than two axles) the purchase price of which does not exceed \$50,000. Terminates such credit after 2010.

H.R.159

Title: To amend the Internal Revenue Code of 1986 to allow an above-the-line deduction against individual income tax for interest on indebtedness and for State and local sales and excise taxes with respect to the purchase of certain motor vehicles.

Sponsor: Rep Pascrell, Bill, Jr. [NJ-8] (introduced 1/6/2009) Cosponsors (39)

Related Bills: S.333

Latest Major Action: 1/6/2009 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

SUMMARY AS OF:

1/6/2009--Introduced.

Amends the Internal Revenue Code to allow individual taxpayers a deduction from gross income for: (1) interest paid on indebtedness (up to \$49,500) incurred after November 12, 2008, and before January 1, 2010, for the purchase of a motor vehicle (i.e., passenger automobile or light truck) with a gross vehicle weight rating of not more than 8,500 pounds; and (2) state and local sales and excise taxes imposed on the purchase of such a motor vehicle.

S.333

Title: A bill to amend the Internal Revenue Code of 1986 to allow an above-the-line deduction against individual income tax for interest on indebtedness and for State sales and excise taxes with respect to the purchase of certain motor vehicles.

Sponsor: Sen Mikulski, Barbara A. [MD] (introduced 1/27/2009) Cosponsors (5)

Related Bills: H.R.159

Latest Major Action: 1/27/2009 Referred to Senate committee. Status: Read twice and referred to the Committee on Finance.

SUMMARY AS OF:

1/27/2009--Introduced.

Amends the Internal Revenue Code to allow individual taxpayers a deduction from gross income for: (1) interest paid on indebtedness (up to \$49,500) incurred after November 12, 2008, and before January 1, 2010, for the purchase of a motor vehicle (i.e., passenger automobile or light truck) with a gross vehicle weight rating of not more than 8,500 pounds; and (2) state and local sales and excise taxes imposed on the purchase of such a motor vehicle.

H.R.1169

Title: To amend title 38, United States Code, to increase the amount of assistance provided by the Secretary of Veterans Affairs to disabled veterans for specially adapted housing and automobiles and adapted equipment.

Sponsor: Rep Boozman, John [AR-3] (introduced 2/25/2009) Cosponsors (2)

Latest Major Action: 9/24/2009 House committee/subcommittee actions. Status: Subcommittee Hearings Held.

SUMMARY AS OF:

2/25/2009--Introduced.

Increases from: (1) \$12,000 to \$36,000 the maximum amount authorized to be provided by the Department of Veterans Affairs (VA) to certain disabled veterans for specially adapted features in a home; (2) \$60,000 to \$180,000 the total amount authorized to be provided per veteran for the construction of specially adapted housing; and (3) \$11,000 to \$33,000 the maximum amount authorized to be provided for the purchase of an automobile and adaptive automobile equipment.

S.728

Title: A bill to amend title 38, United States Code, to enhance veterans' insurance benefits, and for other purposes.

Sponsor: Sen Akaka, Daniel K. [HI] (introduced 3/26/2009) Cosponsors (None)

Related Bills: H.R.1037

Latest Major Action: 10/7/2009 Senate floor actions. Status: Returned to the Calendar. Calendar No. 155.

Senate Reports: 111-71

SUMMARY AS OF:

3/26/2009--Introduced.

Veterans' Insurance and Benefits Enhancement Act of 2009 - Directs the Secretary of Veterans Affairs to grant level-premium term life insurance to veterans under age 65 with service-connected disabilities.

Increases from \$20,000 to \$30,000 the maximum amount of supplemental insurance provided through the Department of Veterans Affairs (VA) for totally disabled veterans.

Removes a condition on the qualification of certain individuals for retroactive benefits from traumatic injury coverage under Servicemembers' Group Life Insurance.

Increases the maximum loan guarantee amount under the veterans' mortgage life insurance program from \$90,000 to \$150,000, then to \$200,000 after January 1, 2012.

Establishes an annual cost-of-living adjustment for the temporary payment of dependency and indemnity compensation (DIC) to a veteran's surviving spouse with one or more children under the age of 18.

Provides eligibility requirements for the payment of a special monthly pension based on disability for veterans who already qualify for a service pension based upon age.

Increases amounts of DIC payable to surviving spouses and parents of deceased veterans.

Increases, and authorizes the annual adjustment of, pension amounts payable to hospitalized veterans and certain children of veterans of a period of war.

Authorizes and directs the Secretary to pay a: (1) supplemental benefit for the funeral and burial expenses of veterans, making such amount \$900 with respect to a non-service-connected death and \$2,100 with respect to a service-connected death; and (2) supplemental burial plot allowance for veterans eligible for the current allowance.

Authorizes the provision of specially adapted housing assistance for disabled veterans whose disability is due to a severe burn injury.

Authorizes the Secretary to pay a supplemental benefit, for assistance in the purchase of automobiles and other conveyances, for disabled veterans currently eligible for such assistance.

S.820

Title: A bill to amend title 38, United States Code, to enhance the automobile assistance allowance for veterans, and for other purposes.

Sponsor: Sen Sanders, Bernard [VT] (introduced 4/2/2009) Cosponsors (None)

Latest Major Action: 4/29/2009 Senate committee/subcommittee actions. Status: Committee on Veterans' Affairs. Hearings held.

SUMMARY AS OF:

4/2/2009--Introduced.

Veterans Mobility Enhancement Act of 2009 - Increases from \$11,000 to \$22,500 the amount authorized to be provided by the Department of Veterans Affairs (VA) to certain disabled veterans for the purchase of an automobile and any necessary adaptive equipment.

H.R.2309

Title: To provide authority to the Federal Trade Commission to expedite rulemakings concerning consumer credit or debt and to direct the Commission to examine and promulgate rules with regard to debt settlement and automobile sales, and for other purposes.

Sponsor: Rep Rush, Bobby L. [IL-1] (introduced 5/7/2009) Cosponsors (4)

Latest Major Action: 6/3/2009 House committee/subcommittee actions. Status: Forwarded by Subcommittee to Full Committee (Amended) by the Yeas and Nays: 16 - 9.

SUMMARY AS OF:

5/7/2009--Introduced.

Consumer Credit and Debt Protection Act - Amends the Federal Trade Commission Act to give the Federal Trade Commission (FTC) authority to expedite rulemakings concerning consumer credit or debt.

Directs the FTC to examine the practices of providers of debt settlement services and prescribe rules necessary to prevent unfair and deceptive acts or practices by such providers.

Directs the FTC to examine the practices of automobile dealers with respect to credit and lending and prescribe rules necessary to prevent unfair and deceptive dealer acts or practices.

Gives the FTC authority to commence a civil action to recover a civil penalty in a U.S. district court against any person, partnership, or corporation which engages in any unfair or deceptive acts or practices in connection with consumer credit or debt with actual knowledge or knowledge fairly implied on the basis of objective circumstances that such act is unfair or deceptive.

Authorizes enforcement of this Act by state attorneys general.