

WANADA Bulletin # 14-07

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MARYLAND LEGISLATIVE WRAP UP

Energy Task Force Part of MD "Clean Car" Bill *Tax Issues Put Off Until Next Year*

Faced with an uphill battle against California Car legislation that has been thwarted for the past three years, Maryland dealers' highest legislative priority this year was to marshal the rising "green" tide of political pressure for a tailpipe emissions law toward a broader state energy law. The result, of course, is the "Clean Car" (i.e. Cal. Car) bill that the General Assembly passed in lieu of the "Energy Commission" dealers advocated. But included in the emissions bill is the Clean Car and Energy Policy Task Force which hopefully will keep Maryland's move to Cal. Car status on a track that is more scientific and factual than political.

When it became plain that the dealer-advocated Energy Commission wouldn't trump a Maryland Cal. Car law this year, MADA, with WANADA's support, pushed

hard for a state Senate version of the emissions legislation, which embraced the aforementioned task force that will include university energy policy experts working in conjunction with legislature leaders and members of the governor's staff.

"We got this legislation in the best posture we could with the inclusion of the energy task

force," said MADA President Peter Kitzmiller. "And it's not going into effect until 2011, so it gives us three years to see if it's going to create problems for Maryland dealers," he said.

WANADA Chairman Jack Fitzgerald, who was a dealer leader of the effort to create an energy commission, said he was pleased there would be a body to bring the objectivity of sci-

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WASHINGTON AUTO SHOW UPDATE



WAS Advocates Meet With DC Mayor Adrian Fenty

Seeking ongoing support for The Washington Auto Show (WAS), WANADA leadership and others recently paid a visit to Washington DC Mayor Adrian Fenty. From left, Barbara Pomerance, Douglas Patton, Esq., Tom Jeffers (General Motors) Charles Stringfellow, the mayor, Tamara Darvish, Gerard Murphy and Gloria Bergquist, (Auto Alliance). Mayor Fenty, like his predecessor Mayor Tony Williams, is a "car guy" and confirmed that he is a strong supporter of taking the WAS to the next level on the global auto show circuit. (See page three for more news on planning for the 2008 WAS.)

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Maryland Legislative Session Ends

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ence and the real world to the state's new direction for regulating tailpipe emissions. "I'm disappointed that the legislature missed the opportunity for a truly comprehensive energy policy for Maryland that would have put emissions in the context of things like the need for alternative fuels and energy independence," Fitzgerald said. "But we can work with the law the way it is and will do so over the next couple of years."

Cal. Car Challenge

Whether Maryland ever gets Cal. Car standards depends on the outcome of some key court actions brought by automakers against Cal. Car regulator plans. One case in Vermont, which is one of a dozen or so Cal. Car states, is looking at the authority of California to take emissions regulation to the next level,

which is fuel economy. If Cal. Car states move to CAFÉ regulation with the Feds, *then* the Cal. Car movement gets into "global warming" where it wants to be.

The U.S. Supreme Court's recent decision in *EPA vs. Massachusetts* was seen as a setback for automakers when it held that EPA *does indeed have the authority* to regulate *non-pollutant* tailpipe emissions, such as carbon dioxide (the main ingredient in global warming.) If the U.S. EPA can regulate CO₂, then the door is open for Cal. Car regulators to do the same.

"The bottom line is if the court determines that states can't go farther in setting separate standards, then the California Car thing is a non-issue. If it goes the other way, it remains an issue, but at least we have time to see what needs to be done," Kitzmiller added.

Other Bills

Maryland dealers "dodged the bullet" on some proposals, which included the perennial AAA vehicle key replacement bill, which failed, along with a draconian used car lemon bill.

A "hidden warranty" measure passed that will obligate automakers to notify new vehicle owners of warranty repair procedures which, ostensibly and heretofore, have been available only on a demand basis. Repair shops, dealer and non-dealer alike, may be required to add a repair order disclosure notifying car owners that warranty repairs they hear about from the manufacturer will need to go back to the selling dealer, which presents dealer service sales opportunities.

Tax Issues Avoided

Gov. Martin O'Malley (D) and the legislature did not substantively address the state's reported \$1.5 billion deficit this session. Tax increase advocates offered proposals, however, which included sales and use tax that would have roped in labor on vehicle repairs *and* advertising. Not surprisingly, a proposal was also offered to hike vehicle title tax from 5-6%.

None of this got any traction *this year*. Stay tuned, though, because the revenue raisers will likely be back with a vengeance in the 2008 General Assembly where the betting money is on tax increases, to some extent, across the board.

NADA Urges Senate to Make Insurance Data on Flooded, Totaled, Stolen Vehicles Available

NADA called on the U.S. Senate to bring more transparency to the used-car buying process by requiring insurance companies to provide consumers access to data on severely damaged, stolen and flooded vehicles. David Regan, vice president of legislative affairs for NADA, testified before the Senate Commerce Committee last week urging senators to pass S. 545, a bill introduced by Sen. Trent Lott, (R-Miss), that would permanently red-flag vehicles "totaled" by car crashes.

"The total-loss history of a vehicle is the most important piece of information that consumers can use to make an informed decision as to the safety and fair market value of a used car," said Regan. "With total-loss data, used-car buyers—consumers and dealers—can avoid unknowingly purchasing a rebuilt wreck."

For more information on this important matter, please visit www.nada.org/tld for total-loss vehicle data disclosure.

WASHINGTON AUTO SHOW UPDATE (Continued from Pg. 1)**WAS Leadership Visits NY Auto Show**

Planning for the 2008 Washington Auto Show (WAS) is moving ahead in earnest with WANADA taking a delegation of dealer leaders to the New York Auto Show last week to meet with automaker and support-industry exhibitors. Major auto shows like New York also provide insight for WAS organizers on a variety of promotional possibilities. Visiting New York from WANADA to attend auto show media day were John Ourisman, WAS chairman, Ourisman Automotive, Tamara Darvish, DARCARS, and Nick Scanniello, Euro Motorcars. Gerard Murphy, Barbara Pomerance and Bob Yoffe, producer, promotions director, and manager for the WAS, respectively, were in New York also.



Pictured, above (left), is Mark Fields, executive vice president, Ford Motor Company, with Washington Auto Show Chairman John Ourisman at the Ford exhibit in New York.



Pictured, left, with the newly revealed Mercedes Benz C Class AMG behind them, is Stephanie Zimmer, director of marketing, Mercedes-Benz-USA, with Nick Scanniello, WAS committee (center) and Ernst Lieb, president MB-USA.



Enjoying the New York Ferrari exhibit together in New York are WAS dealer leaders Tamara Darvish and John Ourisman.

Fellow auto show producers. Pictured right, (from the left) Gerard Murphy, Washington, and Mark Schienberg, New York. Schienberg and Murphy are also members of the Automotive Trade Association Executives (ATAE) which, as a group, interfaces with NADA on national dealer matters.



WANADA Apprentice Tech Training Open House
Wednesday, May 2, 9:30 am - 11:30 am Montgomery College

Visit WANADA's Automobile Dealer Education Institute (ADEI) training facilities at Montgomery College, tour the facility, meet with the instructors and see, firsthand, the students in training. WANADA also will roll out all of the new and exciting enhancements to the training program.

F&I Certification Programs
May 15 & 16, 2007, Greenbelt & Ellicott City

MADA and WANADA are again teaming up for two more programs on May 15, 2007 at the Greenbelt Marriott and May 16 at the Turf Valley Resort in Ellicott City. Conducted by specialists from JM&A, the full day program covers various federal and state finance disclosures and consumer laws, along with privacy and best practices.

2007 WANADA Open
Monday, June 4, Lansdowne Resort

The annual WANADA Open, Monday June 5, at the spectacular new Golf Club at Lansdowne Resort in Leesburg, VA. A shotgun start at 11:am, cocktails at 4:00 p.m. and the fun-filled Awards Dinner at 5:30 p.m. that features lots of prizes and fabulous giveaways! You simply can't miss this one.

Registration forms and flyers for all three events are enclosed with this WANADA Bulletin.

In Memoriam

WANADA pauses to wish God's peace to the families of those who were senselessly shot to death at Virginia Tech on Monday of this week and Godspeed for the full recovery of those wounded by gunfire and of the entire university community in Blacksburg. What follows are excerpts from the memorial service remarks of Nikki Giovanni, University Distinguished Professor and poet, for the reflection of our readers over this tragedy and these profoundly disturbing events.

We are Virginia Tech.

We are sad today and will be sad for quite awhile.

We are not moving on. We are embracing our mourning.

We are strong enough to know when to cry. And sad enough to know we must laugh again.

We are Virginia Tech.

We know we do not deserve it, but neither does a child in Africa dying of AIDS;

Or invisible children walking in the night to avoid capture by a rogue army.

No one deserves a tragedy.

We are Virginia Tech.

We are strong, and brave, and innocent, and unafraid.

We are better than we think; but not quite what we want to be.

We are alive with imagination;

And the possibility we will continue to invent the future through our blood and tears;

Through all this sadness.

We are the Hokies. We will prevail, we will prevail.

We are Virginia Tech.

April 17, 2007