

## CAFE UPDATE

### CAFE Debate Heats Up at NHTSA Hearing *Industry and Environmentalists Face Off, Dealers on Both Sides*

Ordered by the courts last year to prepare an environmental impact statement for proposed 2011-15 Corporate Average Fuel Economy (CAFE) standards, the National Highway Traffic Safety Administration (NHTSA) held a lively hearing this week to air the pros and cons of its draft statement. And the agency got plenty of both as nearly 60 people testified on what NHTSA should and shouldn't do, producing in some cases some strange bed-fellows.

The Alliance of Automobile Manufacturers questioned whether the statement was necessary, calling upon NHTSA to reserve its right not to draft a statement at all. Other auto industry officials insisted that the standards are so aggressive, they might be impossible for some automakers to meet. They warned that the proposed standards might already be too

much of a burden on an industry that is already stunned by the slowed economy.

Speaking on behalf of NADA, David Westcott, a Buick/Pontiac dealer from North Carolina, pointed out that new vehicle sales have dropped to a two-decade low and he warned that if adding new fuel-saving technologies increases the price of vehicles, it could

keep many Americans from trading-in their older, less fuel efficient cars and trucks. Regulators "need to look at fleet turnover," Westcott said.

But Adam Lee, a Maine auto dealer with 11 dealerships selling both domestic and import brands, joined with a host of consumer and environmental advocates calling for *stricter*

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## MEMBER ASSISTANCE REQUESTED

### WANADA Updating Membership Directory Please Verify Member Data By Aug. 22

In a memorandum last week to all WANADA Dealer Members and Kindred-Line Members, WANADA announced that it is in the process of updating the Membership Directory and we need your assistance to make sure all information to be included is accurate and current. With your help, we will have the new directory ready for distribution this fall.

A follow up *Membership Information Verification Listing Sheet* is enclosed herewith for your convenience

The following information for member dealers will be included in the directory: Organization Name, Address, Telephone Number, Fax Number, Website, Usual Representative, E-Mail Address, Associate Representative, and Product Line(s) Sold

Please fax the Verification Sheet with an "OK" or with changes to Ralph Frisbee (202) 237-9090 or mail it to his attention, WANADA, 5301 Wisconsin Avenue, NW, Suite 210, Washington, DC 20015. **Please respond ASAP, but by August 22 in any case.**

Thank you!

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## HEALTH INSURANCE UPDATE

## IRS Releases 2009 Adjusted HSA Amounts

Eligible individuals with self-only coverage under a high-deductible health plan (HDHP) may contribute an annual maximum of \$3,000 to their Health Savings Account (HSA) for 2009. Eligible individuals with family coverage (coverage for two or more individuals) under a HDHP may contribute up to \$5,950 to their HSA. Individuals age 55 or older who are not enrolled in Medicare may contribute more to the account per year. In 2009, an additional \$1,000 contribution will be allowed. In 2008, the catch-up contribution was \$900.

To be considered qualified for a 2009 HSA, the HDHP must meet certain IRS regulations:

- The minimum deductible amount must be \$1,150 for self-only coverage and \$2,300 for family coverage; increased from 2008 requirements.
- The out-of-pocket maximum must be no higher than \$5,800 for individual or \$11,600 for family coverage; increased from 2008 requirements.
- The HDHP must be set up with a combined medical/pharmacy deductible. This deductible must apply to the out-of-pocket maximum, which is no change from the 2008 requirements.
- All medical and pharmacy services must be subject to deductible and out-of-pocket maximum except for preventative services.

For more information, contact John O'Donnell at WANADA, (202) 237-7200, [jod@wanada.org](mailto:jod@wanada.org).

Coverage Type	Regulation	2008	2009
Self-Only	Annual Contribution	\$2,900	\$3,000
	Deductible	\$1,100	\$1,150
	Out-of-Pocket Maximum	\$5,600	\$5,800
Family	Annual Contribution	\$5,800	\$5,950
	Deductible	\$2,200	\$2,300
	Out-of-Pocket Maximum	\$11,200	\$11,600

Source: UnitedHealthCare

## 2008 SOAP BOX DERBY UPDATE

### Washington Delivers Nat'l Champ Two Years Running!

Our heartiest **congratulations** go to Courtney Rayle, the 16-year-old from Mechanicsville, MD who won the Masters Division at the **2008 International Soap Box Derby World Championship** in Akron, Ohio, in late July. Courtney follows in the footsteps of Kacie Rader, also of Mechanicsville, who took top honors in the Masters Division last year and "brought the gold home" again for the Greater Washington Soap Box Derby (GWSBD).

In fact, it was "ladies day" at the 71<sup>st</sup> running of an event called "the greatest amateur racing event in the world," with girls winning five of six individual titles and sweeping the three major divisions – the most dominant showing in the history of the All-American Soap Box Derby.

Courtney qualified for the national event by winning the Masters Division here locally at the GWSBD on Capitol Hill. WANADA has been the lead sponsor of this great American tradition here for the past 27 years.

And it's not just a big trophy and a down-hill thrill for Courtney, who received a \$5,500 college scholarship and a World Championship ring and jacket for her big win.

Once again, WANADA wishes Courtney Rayle and the entire GWSBD team all the best on the well-deserved recognition!



**National Champ Courtney Rayle and hot pink Number 73.**

## NADA Offers Fuel-Saving Tire Checks On Capitol Hill

With high gas prices on the minds of members of Congress, NADA and the Alliance of Automobile Manufacturers teamed up last week with Congressman Vern Ehlers (R-Mich.) to educate congressional staff on fuel-conserving tips and provide complimentary tire checks.

"The Energy Department estimates that 1.2 billion gallons of fuel were wasted due to under-inflated tires in 2005," said David Regan, NADA vice president of legislative affairs. "Proper tire inflation is a simple step consumers can take to cut costs and improve vehicle safety."

Congressman Ehlers -- a ranking member of the House Administration Committee, which is responsible for day-to-day functions of the House of Representatives -- helped organize the tire pressure checks with NADA and local technicians from Fitzgerald Auto Mall in Kensington, MD. The event was part of NADA's ongoing efforts to educate policymakers and the public on fuel-saving tips and environmental issues.

For more information, visit [www.nada.org/green](http://www.nada.org/green).

## NADA DEALER OPERATIONS COMMENTARY

### Hazmat Transportation Regulations: Are You in Compliance?

Dealers should understand that the "hazmat transportation regulations" actually consist of multiple, similar-sounding regulations across different federal agencies and even across different countries.

#### **The Hazardous Materials Regulations (HMR)**

Dealership employees who perform one or more packaging, hazmat transportation or pre-transportation functions are subject to the HMR, including applicable training requirements. Dealerships handling hazmat should become familiar with applicable provisions of the HMR.

#### **International Standards**

Among international standards are:

- **Canada's Transport of Dangerous Goods Regulations (TDGR)**  
The U.S. and Canada have a reciprocity agreement allowing the use of each other's standards for transport of hazmat between them.
- **Mexico's Normas Oficiales Mexicanas (NOMs)**  
As the U.S. does not have a reciprocity agreement with Mexico, the U.S. requires that all shipments to and from Mexico comply with the HMR.
- **International Civil Aviation Organization (ICAO) Technical Instructions**  
These are the official rules for the transport of hazmat aboard aircraft. Although these rules are closely aligned with the HMR, there are some important differences. Many air carriers require compliance with the International Air Transport Association's Dangerous Goods Regulations, which are generally more restrictive than the ICAO Technical Instructions.
- **International Maritime Dangerous Goods (IMDG) Code**  
These are the official rules for the transport of hazmat aboard passenger and cargo vessels. Many carriers require compliance with international standards as a matter of business practice.

#### **U.S. Occupational Safety and Health Administration (OSHA) Hazard Communication Standard (Hazcom)**

The hazcom or "Right-to-Know" standard requires dealerships to classify and identify chemical hazards to which employees might be exposed.

#### **U.S. Environmental Protection Agency (EPA) Hazardous Waste Rules**

The EPA administers various rules governing hazardous waste.

This article is excerpted from *The Federal Hazmat Transportation Regulations: Third Edition* (L37). The publication can be ordered online at [www.nada.org/mecatalog](http://www.nada.org/mecatalog) or by calling NADA at 800-252-NADA, ext. 2.

**IMPORTANT REMINDER!****Sign Up Before August 17 for WANADA Dealer  
Employee On-Site Flu Shots**

Don't put it off. The deadline—**August 17, 2007**—is drawing near to sign up for WANADA's Dealership Employee On-Site Flu Shot Program. Once again administered by Norvar Health Services, the seasonal flu immunization/prevention program can reduce lost employee time by 70%. Providing employee flu shots increases staff *esprit de corps* as well as your bottom line from sick day savings.

WANADA has negotiated with Norvar to provide on-site flu immunizations in enough quantity to ensure adequate supply (assuming no production/CDC issues). Those who register prior to August 17 at will get the negotiated price of \$23 per shot – the same as last year.

A minimum of twenty (20) participants at each location is required to schedule flu shot on-site. After Aug. 17, the price and vaccine availability will be subject to change.

**Note: This vaccination is for the seasonal flu, NOT H5N1 Avian flu or any pandemic flu.)**

A fax-back registration form is enclosed. For more information, contact Martha Kowalski, director of WANADA Insurance Programs at (202) 237-7200.

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standards. He then criticized automakers for not moving faster to improve fuel economy. "They fight it tooth-and-nail, and then when the regulations are passed, they are able to meet them," said Lee. He added that if the Detroit 3 were compelled to meet higher standards they could achieve them "with flying colors."

The NHTSA statement is related to new CAFE standards that cover both cars and trucks and address global warming. The new standards require vehicles to achieve 25 percent better fuel economy by the 2015 model year – a combined 31.6 mpg. In the long term, the new law requires cars and light trucks to meet a fleet wide average of at least 35 mpg by 2020, up from today's average of 25 mpg.

The issue nets out on whether NHTSA will act to increase the proposed average fuel economy standard, or take no action. The agency would only say it plans to use input from the hearing to finalize its draft environmental impact statement, which outlines the fuel economy standards.

**Why Not Oil For Blood Instead of the Other Way Around?**

That's what Don and Mike Beyer of Don Beyer Volvo in Falls Church, VA determined when they started offering free oil changes or free gasoline to employees and customers who have donated blood to the American Red Cross. Warring over oil is grim and brutal. Causing people to donate blood to the Red Cross for an oil change or free gas is innovative and helpful, which is why *Automotive News* reported on the dealership program this week. *WANADA Bulletin* kudos to the Don Beyer organization for a great idea.

**-The Editor**

**An Historical Perspective...**

*Here on earth, God's work must truly be our own.*

**—John F. Kennedy**

**Enclosures:**

- WANADA Flu Shot Vaccination Fax-Back Sheet
- Membership Information Verification Sheet