

President Bush Calls on Congress To Pass Association Health Plan Legislation

In his State of the Union address last week, President Bush called on Congress (the Senate) to enact the Association Health Plan (AHP) legislation, giving the bill a major boost and the best chance of passage yet. Said Bush:

“On the critical issue of health care, our goal is to ensure that Americans can choose and afford private health care coverage that best fits their individual needs. To make insurance more affordable, Congress must act to address rapidly rising health care costs. Small businesses should be able to band together and negotiate for lower insurance rates, so they can cover more workers with health insurance – I urge you to pass Association Health Plans...”

“This is a VERY strong statement for the president to make, and this gives us just about the best possible start to 2004 possible,” said Duane L. Musser, executive director of the Association Healthcare Coalition (TAHC), of which WANADA is a member.

With the House and Senate back for the second session of the 108th Congress, TAHC expects that Association Health Plan legislation will receive renewed attention in the Senate in the coming weeks and months. The primary focus continues to be the Senate Republican Uninsured Task Force chaired by Senator Judd Gregg (R-NH).

Although there have been minimal discussions at the staff level regarding the issues under consideration by the task force since Congress ad-

joined in mid-December, it is expected that the task force will resume deliberations in earnest very soon, and the AHP legislation will be actively considered in this process.

Musser encouraged all TAHC member organizations to “keep up the pressure on Senator Bill Frist (R-TN), Senator Gregg and the members of the task force to make AHPs a part of the task force proposal.”

The president also urged Congress to pass tort reform and called for the permanent repeal of the

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High Court to Consider Cap on Penalties Set by Lending Act *WANADA Files as Friend of the Court*

As reported in the Wall Street Journal, January 21, 2004, “The Supreme Court, in a case closely followed by the consumer-finance industry, agreed to consider whether Congress meant to lift the cap on how much money plaintiffs may collect in penalties for certain lawsuits brought under the federal Truth-in-Lending Act.”

The case involves two big-ticket lending areas, auto and home equity loans, where many technical disputes often arise. “If the Supreme Court were to affirm [the lower court ruling], it would create great incentives for lots and lots of lawsuits,” Roy Englert, a lawyer with Robbins, Russell, Englert, Orseck & Untereiner, told the Journal. Englert’s Washington law firm filed a brief in the case on behalf of the American Bankers Association and other groups.

WANADA Counsel Allen Jones of Hamilton & Hamilton, LLP, and Michael Charapp of

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High Court

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Charapp & Weiss, LLP, have filed a "Friend of the Court" brief on behalf of WANADA, MNCTDA and VADA supporting the cap.

As the Journal pointed out, Congress passed the Truth-in-Lending Act in 1968 primarily to require lenders to disclose details of transactions. It allowed consumers to collect recovery of damages for violations, plus a penalty of between \$100 and \$1,000, according to the Journal. Specifically, the law said the penalty could be "twice the amount of the finance charge in connection with the transaction, except that the liability under this paragraph shall not be less than \$100 nor greater than \$1,000."

"But Congress amended the law in 1995, inserting language in the paragraph dealing with the damage cap that might be interpreted to mean that consumers could collect either penalties of as much as \$1,000, or twice the amount of the finance charge, which often is considerably more than \$1,000," the Journal said.

This ambiguity is at the heart of a lawsuit filed by a consumer against a Northern Virginia auto dealer in 2000. Last year, the U.S. Court of Appeals for the Fourth Circuit, in Richmond, VA., affirmed a lower-court decision awarding \$24,193 – twice the amount of the finance charges involved in the disputed car sale – to the consumer.

"Despite the possible ambiguity here, it is our contention that without a specific change of the cap of \$1,000, it should not be inferentially changed by the court," explained Jones. "The Supreme Court granted the dealer's request for a writ of certiorari and will be hearing the case within the next several months," said Jones.

The WANADA Bulletin will report further developments in this matter.

STATE LEGISLATIVE UPDATE:

Lobbying the Lawmakers



At last week's MNCTDA Annual Membership Meeting and Legislative Reception in Annapolis, Maryland dealers got the chance to meet face-to-face with their elected representatives and make their case for keeping the vehicle titling fees from rising from 5% to 6%. Pictured here are WANADA CEO Gerry Murphy (left) and MNCTDA CEO Peter Kitzmiller with Sen. Jennie Forehand (Dist. 17) and Del. Brian Feldman (Dist.15).

From left, Maryland MVA Administrator David Hugel with Jerry Fader of Atlantic Automotive and Alan Rifkin, Livingston, Levitan & Silver, the associations' government relations consultants for Maryland.



Dottie Fitzgerald of Fitzgerald Auto Malls (center) with Del. Patrick Hogan (Dist. 3A) (left) and Sen. Ida Ruben (Dist. 20).



Bush Boosts AHP Legislation *(continued from page 1)*

death tax, which was music to the ears of most dealers. He reminded lawmakers, "Unless you act, the death tax will come back to life." He also called upon Congress to curb the explosion of "junk and frivolous lawsuits." The president also championed the causes of international nameplate dealers, saying, "My administration is promoting free and fair trade to open up new markets for America's entrepreneurs and manufacturers and farmers – to create jobs for American workers."

2004 NADA Convention Workshops: *Las Vegas, January 31-February 4, 2004*

The lineup of lively and instructive workshops slated for the 2004 NADA Convention has to be the best ever. Here's a quick preview of some of the training opportunities awaiting you—each one full of useful information you can take back to your dealership:

- **Legal and Regulatory Update.** With emphasis on issues affecting dealers today, the workshop will cover amendments to the federal telemarketing rules, the new USA Patriot Act Anti-Money Laundering Program Requirements, and the FTC Safeguarding Customer Information regs. Paul Metrey, Esq. of NADA's Legal Group will present.
- **Working Effectively with the Media.** Presenter Andrew Gilman of CommCore Consulting Group is a former reporter with *The New York Times*, *USA Today* and *U.S. News & World Report*. He'll provide practical techniques for getting messages through to the media. He will discuss eight components of a newsworthy story, key interview techniques, and "lures" and "traps," interview do's and don'ts, interview tips, and dealing with stage fright.
- **15 Closes in 15 Minutes: The Easy Way to Triple Your Closing Ratio!** Your salespeople are sending three of four buyers down the street because they lack the selling skills they need to close the sale. Learn 15 of the best and most effective closes you'll use to increase unit sales, gross and CSI. Sean Gardner of Joe Verde Group will present.
- **Recruiting and Retaining Technicians.** Focusing on recruiting, training, and retaining technicians, the session will also explain how the AYES program can help populate your service bays. Presenters are Robert Atwood of NADA Dealer Academy and Henry Primeaux of Crown Bristow.
- **The Politically Incorrect Leader.** Leaders will be coached on the importance of choosing truth over harmony when dealing with personnel and reminded that their job is not to make people happy, it's to get them better. Once they get better, they get happy! Presenter is Dave Anderson of Dave Anderson's Learn to Lead.
- **Technology-based Sales and Marketing: Are you Ready to Run with the Big Dogs?** James A. Ziegler of Ziegler Supersystems, Inc. will focus on integrating today's technology applications into usable sales, sales management, marketing and follow-up procedures. He will discuss automated sales processes and database follow-up procedures as they relate to new business as well as CRM.
- **Super Workshop.** As commander of the \$1 billion warship USS Benfold, Captain D. Michael Abrashoff proved that progressive leadership can succeed at sea. His book, *It's Your Ship: Management Techniques from the Best Damn Ship in the Navy*, became an instant best seller. By learning to see the ship through the eyes of his crew, Abrashoff discovered revolutionary ways to reverse excessive costs, low morale, high turnover and low performance. His breakthrough grassroots leadership approach is practical and has been tested in the Navy at war. He will show us how to create an organization where every person takes ownership, where the focus is on purpose and performance, where leaders listen aggressively, and where change and innovation are not only accepted but embraced.

NADA Convention Updates And Reminders:

- Register onsite beginning 10 a.m. Jan. 30 in Hall N2 of the Las Vegas Convention Center. Pre-paid registration is closed.
 - Make new hotel reservations through the Las Vegas Convention and Visitors Association, 877/847-4858. Cancel or change existing reservations directly through the hotel.
 - Attend Advanced Media Training Jan. 31 at 11 a.m. and Feb. 1 at 2:15 p.m. Media trainer Andrew Gillman, will teach you how to deal with TV, print and electronic media, and handle difficult and unexpected questions.
 - "Hire a Hero" at your dealership. Find out how at NADA booth 4800. The program is sponsored by Automotive Retailing Today and the National Institute for Automotive Service Excellence.
- Increased scrutiny of F&I calls for attendance at the American Financial Services Association's Auto Finance Conference and Exposition Jan. 28-30, just prior to NADA's convention. For more information or to register for the dealer-oriented program go to www.afsaonline.org.

FOOTNOTES:

DC DMV to Issue Temporary Registration Cards

WANADA has been informed that the DC DMV will be issuing temporary registration cards for customers that will be valid until March 31, 2004. Valid registration stickers will be mailed directly to all applicants who receive the temporary registration/zone parking permit cards. These temporary cards are not designed to be permanently affixed to the windshield. Instead, they are to be placed on or taped to the lower left-hand corner (driver's side) of the windshield.

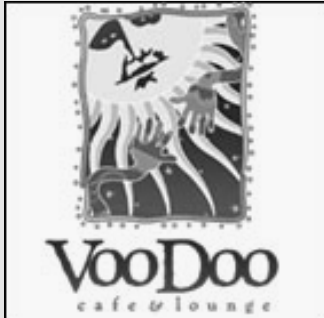


Fuel Economy Guides No Longer To Be Mailed In Bulk

Since 1977, a U.S. Environmental Protection Agency (EPA) rule has required dealers selling new vehicles under 8,500 GVWR to "prominently display at each location where new automobiles are offered for sale" paper copies of the EPA/DOE Fuel Economy Guide and make them available for free, upon customer request. For years, the DOE mailed 50 paper copies to each dealer. Starting in 2000, only 10 copies were mailed to each dealer, the idea being that, as necessary, dealers could download and print additional copies, or refer customers to DOE's <http://www.fueleconomy.gov> Web site.

Effective with the 2004 Guide, DOE will no longer automatically mail paper copies unless specifically requested. While dealers must still display the guide and provide copies to customers upon request, there is no need to stockpile paper versions. Now dealers may download and print copies from the DOE Web site or refer customers to it. The success of the government Web site in reaching customers interested in fuel economy, the trend toward electronic distribution of information, and increased publishing and mailing costs have prompted this change.

NADA sent an e-mail to all U.S. auto dealer members with DOE attachments earlier this month, and DOE is mailing a letter to all dealers later this month. Questions may be directed to Doug Greenhaus, Director, Environment, Health and Safety, NADA Legal Group, at dgreenhaus@nada.org.



See You There!

Tri-Dealer Association Reception

Hosted by
WANADA/MNCTDA/VADA at NADA Convention

Sunday, Feb. 1, 2004, 6-8 p.m.

High atop The Rio Hotel in the VooDoo Lounge
3700 W. Flamingo Rd.,
Las Vegas

Staying Ahead...

Good artists borrow ideas. Great artists steal them.

—Pablo Picasso