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Va. decides to let HHS run its health-care exchange

Virginia Gov. Bob McDonnell has decided to opt out of a state-run health care exchange in favor of a federally run program. Under the new national health care law, states had until December 14 to say whether they intend to run their own program. By the next deadline, in February 2013, the governors must say whether their states plan to partner with the federal



States must either set up their own health care exchange or let the federal government do it. Virginia is leaving it to the feds; Maryland and DC will have their own.

government. States that don't take either option must let the federal Department of Health and Human Services run a state exchange. A number of Republican governors have chosen to let HHS run their program, though some conservatives say this means ceding more control to the feds – something of an anathema to the conservative philosophy.

“I don't see that there's any certainty that running a state-based exchange makes sense,” McDonnell said, according to the *Washington Examiner*. “I think we're going to get stuck with the price tag for an exchange with very little state control.” An additional 430,000 people would be insured under the state exchange in Virginia.

The state exchanges will allow the uninsured to buy insurance on the open market. Maryland and the District are setting up their own exchanges, and Maryland has received conditional approval to start enrolling members next October.

Republicans in Congress have complained that HHS has been slow to issue regulatory guidelines for the exchanges and for Medicaid expansion by the states. McDonnell has indicated that Virginia will opt out of Medicaid expansion that would cover more poverty level and disabled residents. He said he has asked for months what kind of reforms, flexibility and waivers states would be allowed if the state expanded Medicaid, but said, "It's basically radio silence," according to the Richmond *Times-Dispatch*.

FTC proposes limited changes to Used Car Rule

In line with NADA's suggestion, the Federal Trade Commission has proposed only modest changes to the FTC Used Car Rule Buyers Guide. The changes will:

- Add a statement informing consumers that they can seek vehicle history information at an FTC website.
- Add a statement in Spanish telling Spanish-speaking customers they can ask for a copy of the Buyers Guide in Spanish. (A revised Spanish version will take effect February 11, 2013, but dealers may use up their current stock.)
- Add catalytic converters and air bags to the "List of Systems" on the back of the Buyers Guide.
- Put boxes on the back of the Buyers Guide where dealers can indicate whether the vehicle is still under the manufacturer's warranty or is under a pre-owned certified warranty, either from a manufacturer or a third party.

The FTC decided *not* to include disclosures about vehicle history, prior use or title history, or to impose a dealer inspection requirement.

BUYERS GUIDE

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

VEHICLE MAKE _____ MODEL _____ YEAR _____ VIN NUMBER _____

DEALER STOCK NUMBER (Optional) _____

WARRANTIES FOR THIS VEHICLE:

AS IS - NO WARRANTY
YOU WILL PAY ALL COSTS FOR ANY REPAIRS. The dealer assumes no responsibility for any repairs regardless of any oral statements about the vehicle.

WARRANTY

FULL LIMITED WARRANTY. The dealer will pay _____% of the labor and _____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED: _____ **DURATION:** _____

SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranty" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

Only modest changes have been proposed to the FTC Buyers Guide.

2013 Fuel Economy Guide now available

The U.S. Department of Energy and the Environmental Protection Agency have released the 2013 Fuel Economy Guide. Dealers must display a copy of the Guide and provide copies to customers on request. The guide provides detailed fuel economy numbers for MY 2013 light-duty vehicles plus estimated annual fuel costs and other information. Dealers can download the Guide [here](#).

Fuel economy and environment labels, revised by MY 2013, must be attached to all new cars and trucks. For more information, click [here](#).

Note, also, that so long as the dealership is stocking and selling new 2012 MY vehicles, 2012 Fuel Economy Guides must be available, too.



Model Year 2013

Fuel Economy Guide

www.fueleconomy.gov

U.S. Department of Energy
Office of Energy Efficiency and Renewable Energy
U.S. Environmental Protection Agency

Dealers must display copies of the Fuel Economy Guide.

Auto affordability rose in third quarter

Consumers on average spent \$75 less on new cars in the third quarter than they did in the second quarter, says Comerica Bank. The purchase and financing of an average-priced new vehicle took 23.1 weeks of median family income, a 0.2-week improvement.

“Income growth through the third quarter was weak, but interest rates on auto loans fell, lifting affordability,” said Robert Dye, chief economist at Comerica in Dallas. “Sales may ease a bit in coming months, but ample credit availability and a low rate environment remain positives for the auto market.”

NHTSA proposes black boxes in all new cars by 2014

The top federal safety agency has proposed requiring automakers to install so-called black boxes in every new vehicle starting September 1, 2014.

The National Highway Traffic Safety Administration estimates that 96 percent of MY 2013 vehicles are already equipped with event data recorders (EDRs) that capture safety-related data in the seconds before and during a crash. EDRs record information such as vehicle speed, brake activation before a crash, crash forces at the moment of impact, the state of the engine throttle, timing of air bag deployment and whether the occupants’ seat belts were buckled.

“EDRs provide critical safety information that might not otherwise be available to NHTSA to evaluate what happened during a crash – and what future steps could be taken to save lives and prevent injuries,” said NHTSA Administrator David Strickland.

The proposal requires that automakers provide a commercially available tool for copying the data. NHTSA says it will treat EDR data as the property of the vehicle owner and will not access it without the owner’s consent. But that may not be sufficient for the American Automobile Association.

“Congress needs to ensure motorist rights are protected by passing legislation that prohibits access to data without permission from the owner or from a court order, unless the data is used for research purposes and cannot be tracked to a single vehicle,” AAA president and CEO Robert Darbelnet said in a statement.

Federal mandate #2: Ignition interlock for DWI offenders

The National Transportation Safety Board has recommended that all drivers convicted of driving while impaired be required to have an ignition interlock installed on their personal vehicles. The device would prevent the engine from starting until a breath sample has been analyzed for alcohol content and found to be lower than the legal limit.



“Technology is the game changer in reducing alcohol-related crashes on our nation’s roadways, says NTSB Chairman Deborah A.P. Hersman.

The recommendation was part of NTSB’s study of wrong-way driving crashes. The study found that of the 260 fatal collisions that occur every year, most happen on weekend nights and in the lane closest to the median. Because the collisions often involve older drivers, NTSB also asked all states to implement a comprehensive older driver program.

Kindred Corner: Chesapeake Contracting Group

We would like to take this opportunity to welcome our newest Kindred Line member, Chesapeake Contracting Group (CCG), to the WANADA dealer organization. Established in 1979, CCG has established itself as one of the region’s leaders in dealership construction. Regardless of type –renovating or expanding an existing dealership, incorporating an image program or building from the ground up – CCG has done it all.

Incorporated in 1979, CCG started building in the early 1980s for Heritage Automotive, now Mile One Automotive.



CCG president S.
Robert Ginsberg

“From day one, we’ve operated on the principle that relationships matter,” says S. Robert Ginsberg, president of the Reisterstown, Md.-based company. “By building strong relationships, both with our customers and within our own team, we put ourselves in position to succeed. It remains as true today as it was in 1979, and it will always be how we do business.”



Mercedes Benz of Silver Spring, an example of CCG’s work

Building on the strong foundation of relationships and trust, CCG has continued to expand its expertise and client base. Today, many WANADA members have been CCG’s clients, including Jim Coleman Automotive, Passport Automotive, Springfield Toyota and Herb Gordon Automotive.

“We look forward to the opportunity to expand our interaction with WANADA dealers and to build on the experience and relationships that they have established,” says CCG vice president T. Newell Cox.

“We believe our involvement with WANADA will allow us to share our expertise in facility upgrades and construction with its members and to better understand the needs of our clients in the ever changing and competitive automotive market.”

Thought from the fiscal cliff...

"It's bizarre. It's truly bizarre. There's no sense of urgency."

--Sen. Olympia Snowe (R-ME)

Reflections on Newtown, CT, Dec. 14, 2012

The Coventry Carol from 16th Century England is an eerily appropriate reflection of last Friday's unspeakable tragedy, where 26 persons -- 20 of whom were six and seven year olds -- were senselessly shot to death by an armed intruder as they went about their morning routines as teachers and pupils at Sandy Hook Elementary School in Newtown, CT. The subject of the Carol -- popular to this day at Christmas -- is the *Lament of the Holy Innocents*, where, according to Matthew's Gospel (2:1-4, 7, 16), Herod the Great, king of Judea, became so enraged upon learning from the Magi that the king of the Jews had been born in Bethlehem that he sent soldiers to the town with orders to kill all male children, two years of age and younger. The haunting lyrics of the Carol are the lamenting of a heartsick mother for the fate of her doomed child at the hands of Herod's henchmen:

"Then woe is me, poor Child, for Thee,
And ever mourn and say;
For Thy parting, nor say nor sing
By, by, lully, lullay..."

To hear the five verses of the Coventry Carol performed, click [here](#).

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In remarks to the grief stricken of Newtown at a prayer vigil there last night, Dec. 16, President Obama had this to say: "We come to realize that we (all) bear responsibility for every child, because we're counting on everybody else to help look after ours; that in the end, we're all parents and they are all our children..."