



THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

WANADA Celebrating 100 Years of Service (1917-2017)

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Headlines...

All members may now register for 2018 WANADA Open, June 11

House passes NADA-backed bill to rescind CFPB's auto finance guidance

Automakers meet with Trump to avoid two CAFE standards

17 states sue Trump administration over proposed emissions rollback

Rear backup cameras now required on all new vehicles

AAA finds 1 in 5 U.S. drivers plan to buy an EV next time

Higher gas tax, user fees needed to repair highways, report says

In Memoriam: Tom Mann

Staying Ahead...

All members may now register for 2018 WANADA Open, June 11

The 2018 WANADA Open is now open for registration for all members. This year's Open will be Monday, June 11, at the Lakewood Country Club in Rockville, MD. The number of golfers is limited to 128, so register your foursomes today!

The Open is a great opportunity to network with friends and associates. For those who prefer not to golf, join us for the cocktail reception and dinner.

Here is the schedule:

- 9:00 a.m. Registration, breakfast and practice tee shots
- 11:00 a.m. Shotgun start
- 4.00 p.m. Cocktail reception
- 5:00 p.m. Awards dinner

Golf Guidelines for 2018

- "Bogey max" 1 over par on each hole
- Closest to the pin and longest drive prizes awarded for both Blue and Red Tees
- Prizes for 1st, 2nd and 3rd place teams

WANADA looks forward to seeing members, guests and friends at Lakewood on June 11. To register, please [click here](#). For more information, contact Kathy Teich at kt@wanada.org and 202-237-7200.

House passes NADA-backed bill to rescind CFPB's auto finance guidance that limits consumer choice

The U.S. House of Representatives passed a bill last week that rescinds auto finance guidance issued by the Consumer Financial Protection Bureau (CFPB) in 2013. NADA has been working on ending the financing guidance for some time, and this year it was one of the association's top public policy priorities.

The bill, S.J. Res. 57, passed on a bipartisan vote of 234 to 175. All Republicans, except one, voted for the bill; all Democrats, except 11, voted against it. That means that of the delegation in the immediate Washington area, only Barbara Comstock (R-VA) voted for it. A “yes” vote, in NADA’s view, is the pro-dealer, pro-consumer position; a “no” vote is the anti-dealer, anti-consumer position. NADA and WANADA encourage their members to thank those who voted to repeal the CFPB’s flawed guidance and preserve affordable auto loans for consumers.

Although the CFPB regulates lenders, it is explicitly prohibited from regulating dealers – but that was the effect of the 2013 finance guidance. The Senate had already passed the bill, and President Trump is expected to sign it. The measure will preserve dealer reserve and dealers’ ability to offer customers discounted auto loans. NADA continues to encourage dealers to use its fair credit compliance program. To access that program, go to NADA’s website

Automakers meet with Trump to avoid two CAFE standards

When the heads of major automakers met last week with President Trump, both had the same goal on emissions: to avoid having two emissions standards, one for California and the 12 states plus DC that follow it and another for the rest of the country. If two standards were created, that would be a big problem for automakers and Washington area dealers because Maryland and DC follow California standards and Virginia follows federal standards.

Automakers are anxious to avert that scenario. Desire for a single national standard is the reason OEMs accepted the stringent rules set in 2012 under the Obama administration. The Environmental Protection Agency also wants a single standard, and EPA Administrator Scott Pruitt has made it clear that he doesn’t want California to set that standard.

California has said it will not back down from its strong emissions standards and has already sued the EPA for proposing to weaken federal standards (see article below). Prospects for reaching a compromise don’t look promising at this point.

There have been reports that the Trump administration will try to end California’s waiver under the Clean Air Act that allows it to set its own clean air standards. Two courts have already struck down that strategy. And such a move would certainly get bogged down in litigation and would end any hope for swift action on emissions standards.

17 states sue Trump admin. over proposed emissions rollback

Seventeen states, led by California and including Maryland and Virginia, plus DC, have sued the Trump administration over its proposed weakening of emissions standards. A leaked administration proposal suggests freezing emissions standards in 2020. Without greater efforts to reach a compromise, the emissions question could become bogged down in litigation.

Automakers want more flexibility in dealing with the Obama-era emissions goals. But Mitch Bainwol, CEO of the Alliance of Automobile Manufacturers, told a Congressional panel last week that automakers are accepting of emissions standards that would rise every year – just at a level that auto buyers will accept.

“We support standards that increase year over year that also are consistent with marketplace realities,” Bainwol said in his testimony.

Rear backup cameras now required on all new vehicles

Starting last week, rear backup cameras are now required on all new passenger vehicles under a regulation from the National Highway Traffic Safety Administration.

Although the technology has been available on some models and trim levels since the early 2000s, it is now required for the first time. Ford, Nissan and Toyota already had the cameras as standard equipment on all models.

An estimated 210 people die and 15,000 are injured in backup accidents every year. Nearly one-third of those are children under 5, and 26 percent are adults older than 70.

Sales staff can point to the now-standard feature as a helpful safety addition.

AAA finds 1 in 5 U.S. drivers plan to buy an EV next time

A new survey from American Automobile Association shows that 20 percent of Americans – 50 million – will likely buy an electric vehicle for their next vehicle purchase.

“While concern for the environment is still a major motivator, AAA found U.S. drivers are also attracted to the lower long-term costs and advanced technology features that many of these vehicles offer,” said Greg Brannon, AAA’s director of automotive engineering.

The main concerns are range anxiety and places to charge an EV, but those worries are starting to ease. Among those unsure or unwilling to choose an EV for their next car, 63 percent (down 9 percent from 2017) cited “not enough places to charge” as a reason not to buy, and 58 percent (down 15 percent from 2017) were worried about “running out of charge while driving.”

Here’s a caveat from the automaker side. Mitch Bainwol, CEO of the Alliance of Automobile Manufacturers, said last week in testimony before a Senate panel that “significantly more people say they would buy an EV than actually do.”

Higher gas tax, user fees needed to repair highways, report says

The Highway Trust Fund is set to go broke in 2021. Proposals to raise the federal gas tax – which never get much traction because some members of Congress will not consider any tax increase at all – are not enough to solve the problem. A new [report](#) from the American Action Forum, a center-right nonprofit research group, offers a more stable funding plan.

Starting by addressing near-term needs, the report recommends a gas tax increase with indexing. For long-term funding, the group suggests a vehicle-miles-traveled tax, like the one in Oregon. Third, the report recommends congestion pricing along highly congested highways and roads, which would raise money while cutting down on the wasted time and fuel caused by congestion.

In Memoriam: Thomas S. Mann

For those who may have missed the special notice that WANADA published Monday of this week, May 14, it is repeated here:



WANADA is sad to report the passing of its former staff officer, Thomas S. Mann. He died Monday, May 7, 2018. He was 68.

A native Washingtonian, Tom grew up and lived in Bethesda, Maryland his entire life. He spent most of his professional years in association management, working at WANADA first as its business manager, then as executive vice president, or deputy chief of staff, from 1987-2006. He was trained in accounting, which he did most of his career, graduating from Athens College, Alabama in his early 20s. He was active in reestablishing the Washington Auto Show through WANADA, which re-opened to the industry and public in the mid-1980s, where it has been an annual event every year since, and risen in stature on the global circuit of tier one, international auto shows.

An avid bicycle rider, it was his wish that contributions in his memory go to the Coalition for the Capital Crescent Trail (PO Box 30703, Bethesda, MD 20824-0703). Visitation occurred on Tuesday, May 15, 2018 from 5 to 7:30 p.m. at Gawlers Funeral Home, 5130 Wisconsin Ave, NW, Washington, DC. A Mass of the Christian Burial occurred 12 noon, Wednesday, May 16th, at the Church of the Little Flower, 5607 Massachusetts Ave, Bethesda, MD.

To his brothers, Roman Mann and Jesse Mann, and his many friends, WANADA extends its sincerest sympathy.

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Staying Ahead...

You cannot mandate productivity. You must provide the tools to let people become their best.
--Steve Jobs