



NADA's

# LEGISLATIVE BULLETIN

June 18, 2009

## SENATE PASSES "CASH FOR CLUNKERS"

Measure to Go to President to Be Signed Into Law

Today, the Senate voted 60-36 to keep the NADA-backed "cash for clunkers" provision in the Supplemental Appropriations Bill (H.R. 2346). 60 votes were needed.

NADA expects the President to swiftly sign the bill. The Department of Transportation will then have 30 days to issue additional rules to administer the program. Please see the following sheet for more details on the legislation. NADA will keep dealers informed of the additional requirements under the program as they become available. The program is expected to last from July 1 to November 1.

Four Republicans — Senators Christopher Bond (Mo.), Thad Cochran (Miss.), George Voinovich (Ohio) and Susan Collins (Maine) — voted in favor of keeping the "cash for clunkers" program. Senator Ben Nelson (Neb.) was the lone Democrat to vote against it. Three Senators did not vote — Ted Kennedy (D-Mass.), Robert Byrd (D-W.V.), and John Ensign (R-Nev.).

Thank you for your grassroots efforts in contacting your Members of Congress to make sure this program was passed by Congress.

If you have questions on the "cash for clunkers" program, please contact the NADA Legislative Office at 202-547-5500.

If you no longer wish to receive fax communications from NADA and its subsidiaries, please send your opt-out request by email to [opt-out@nada.org](mailto:opt-out@nada.org), by fax at (703) 442-3179, or by telephone at (800) 248-6232 x 2878 and provide your name and fax number, along with a statement that you do not wish to receive faxes from NADA and its subsidiaries. We must process your request within 30 days.

**Cash for Clunkers Program Eligibility Chart June 18, 2009**

Eligible Trade In Vehicle "Clunker"	New vehicle requirements for \$3,500 credit	New vehicle requirements for \$4,500 credit	Effective Dates and Limitations	Scrappage Requirements/ Trade In Value of Old Vehicle	
<p><b>Car, light truck, or large light duty truck:</b></p> <ul style="list-style-type: none"> <li>• <b>With combined (hwy/city average) fuel economy of 18 mpg or less</b>, which can be found by visiting <a href="http://www.fueleconomy.gov">www.fueleconomy.gov</a></li> <li>• Manufactured less than 25 years since the date of the trade-in.</li> </ul> <p><b>OR</b></p> <p><b>Category 3 Work Truck</b></p> <ul style="list-style-type: none"> <li>• An 8,500 to 10,000 lb GVW work truck model year 2001 or older.</li> </ul> <p><b>Ownership Requirements</b></p> <ul style="list-style-type: none"> <li>• Is in drivable condition.</li> <li>• <i>Continuously insured</i> consistent with applicable State law.</li> </ul> <p><b>AND</b></p> <ul style="list-style-type: none"> <li>• <i>Registered to the same owner for a period of not less than 1 year</i> immediately prior to such trade-in.</li> </ul>	<p><b>New Passenger Car:</b> Must achieve a combined (highway/city) fuel economy improvement of at least 4 mpg (minimum of 22 mpg) above the trade-in.</p>	<p><b>New Passenger Car:</b> Must achieve a combined (highway/city) fuel economy improvement of at least 10 mpg (minimum of 22 mpg) above the trade-in.</p>	<p><b>Effective July 2009 through November 1, 2009*</b></p> <p>*The National Highway Traffic Safety Administration (NHTSA) must finalize detailed rules and create an online system for dealers to complete these transactions. NHTSA has to complete the final rule 30 days after the bill becomes law.</p>	<ul style="list-style-type: none"> <li>• Dealer must certify the old vehicle will not be resold for reuse as an automobile or truck in the United States or any other country.</li> <li>• Dealer must transfer the old vehicle to an entity that will ensure the vehicle is crushed, shredded, and not returned to road use.</li> </ul>	
	<p><b>New Light Duty Truck:</b> Must achieve a combined (highway/city) fuel economy improvement of at least 2 mpg (minimum of 18 mpg) above the trade-in.</p>	<p><b>New Light Duty Truck:</b> Must achieve a combined (highway/city) fuel economy improvement of at least 5 mpg (minimum of 18 mpg) above the trade-in.</p>			<p><b>No customer income limitations under this program.</b></p>
	<p><b>New Large Light Duty Truck (6,000-8,500 lbs GVW):</b> Must achieve a combined (highway/city) fuel economy improvement of at least 1 mpg (minimum of 15 mpg) above the trade-in.</p>	<p><b>New Large Light Duty Truck (6,000-8,500 lbs GVW):</b> must achieve a combined (highway/city) fuel economy improvement of at least 5 mpg (minimum of 15 mpg) above trade-in.</p>			<p><b>New vehicle must be \$45,000 MSRP or less.</b></p>
	<p><b>Category 3 Work Trucks (8,500-10,000 lbs GVW):</b> No fuel economy requirement. Vehicle must be model year 2001 or older.</p>	<p><i>No \$4,500 work truck voucher</i></p>	<ul style="list-style-type: none"> <li>• <b>Limit 1 voucher per customer.</b></li> <li>• <b>Not more than 1 voucher may be issued for the joint registered owners of a single eligible trade-in vehicle.</b></li> <li>• <b>Excludes leases less than 60 months.</b></li> </ul>		<p><b>These are the general guidelines as written in the bill. NHTSA must finalize specific rules for this process, which will be sent to dealers as soon as it is complete.</b></p>