

Cash For Clunkers Fact Sheet – S1135/HR2640

- Concerned with S1135/HR2640 Cash for Clunker’s Legislation
 - Does not include a repair option
 - Automotive Aftermarket severely impacted - \$285 Billion employing 4.5 million people (from AAIA)
 - This would severely impact the livelihoods of 164,000 independent automotive repair facilities that employ more than 880,000 people (from ASA)
 - Over 5,000 in the state of Ohio over 26,000 people (from AAIA)
 - Independent automotive repairers offer a less expensive alternative to consumers and repair approximately 75 percent of all vehicles out of warranty.
 - Include a vehicle repair option for consumers.
 - Programs should be administered by the states.
 - Vehicle participation should be tied to emissions and improving air quality.
 - Repair cost allowances should be sufficient to address emissions repairs.
 - Low cost alternative to reducing harmful emissions
 - Will allow low-income vehicle owners who don’t have additional resources for a new vehicle to now have a dependable, lower-emission vehicle.
 - If economic stimulus is the goal of a fleet modernization program, then stimulate the entire automotive industry by including a repair option.
 - Average age of vehicle 9.8 years (Lang Marketing)

LINKS:

S1135

HR2640

ASA

AAIA

<u>Component/Type of Job</u>	<u>All Vehicles</u>	<u>0 - 3 Years</u>	<u>4 - 7 Years</u>	<u>8 - 11 Years</u>	<u>12+ Years</u>
Transmission Overhauled	2.24	0.39	1.88	3.01	3.37
Transmission Replaced	2.48	0.56	2.66	3.06	3.33

- If there are 5-6 million transmission failures per year, and 1 million vehicles are taken out as scrap that would have been prime vehicles to repair, there are a lot of repair facilities that will be severely impacted.
- The reduction in the supply of available used vehicles for purchase as a result of such programs seems unduly punitive to those individuals in lower income brackets (who typically purchase such cars as the second, third or fourth owner) who must now pay more to obtain a vehicle of similar quality (Tony Cristello, Aftermarket Business)