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SAFETY RECALLS

Monitoring the current situation for any possible action. Targeted vehicles include the FAST Act reauthorization, a mega infrastructure bill, and the FY22 Transportation Appropriations bill. Advocacy strategy being coordinated with NADA and NAAA.

No stand-alone motor vehicle safety recall bill introduced to date.

Issue not included in the House Energy and Commerce Democratic infrastructure proposal. To review the Biden infrastructure plan to be announced today.

Monitoring the FAST Act reauthorization drafting which is underway in both Houses.

No action on the FY22 Transportation bill to date.

On February 23, Senator Klobuchar (D-MN), with Senators Blumenthal (D-CT) and Markey (D-MA), introduced S. 376 which directs GAO to determine and report to Congress the number of vehicles used for ridesharing and taxi services in each state that have open recalls and to identify the reasons owners do not have vehicles with open recalls repaired, and make recommendations to Congress on how to improve the rate of recall repairs. The bill also directs NHTSA to conduct a study and report to Congress on ways to make recall notices more effective and easier for all consumers to understand. The bill does not authorize any appropriations. Also on February 23, Congressman Henry “Hank” Johnson (D-GA-4), with Congresswoman Schakowsky (D-IL-9) as one of the cosponsors, introduced H.R. 1239, the same bill. To date, the official texts of both bills are not online.

Last Congress, Senator Blumenthal (D-CT) introduced S.1971 which requires auto dealers to fix outstanding safety recalls before selling, leasing, or loaning a used motor vehicle and specifies that auctions would also be subject to the requirement unless determined otherwise by rule making. No Commerce Committee or full Senate action on the bill. Congresswoman Schakowsky (D-9-IL) did not introduce, as she has done in the past, a companion bill. Lastly, the safety recall issue was not included in the House-passed Democratic mega infrastructure bill – H.R. 2.

INFRASTRUCTURE BILL: MARCH ACTIVITIES

On March 1, the Senate Environment and Public Works Committee started work on a surface transportation reauthorization bill. The House Transportation and Infrastructure Committee has already begun work on its bill. The highway bill is likely to be the engine that drives the mega infrastructure train.

On March 2, Majority Leader Schumer said he planned to turn to President Biden’s Build Back Better plan as soon as the COVID relief bill is dispensed with. Senate Budget Committee Chair Sanders said he would even move an infrastructure plan through reconciliation, allowing Democrats to make fewer compromises with Republicans. Senate Appropriations Committee Democrats said they’d rather go the traditional route with a bipartisan bill. The House will likely introduce a revamped version of the \$1.5 trillion infrastructure bill it passed in the last Congress (see below). Senate leaders plan to report their bill to the floor by Memorial Day.

On March 3, Chair of the House Committee on Transportation and Infrastructure DeFazio (D-OR) renewed his call for passing a mega infrastructure bill after the American Society of Civil Engineers gave U.S. infrastructure an overall grade of C- on its 2021 Infrastructure Report Card. ASCE releases its Card once every four years, assigning an overall letter grade to the Nation’s infrastructure.

On March 5, the President and Transportation Secretary Buttigieg, met with Reps. DeFazio, Graves(R-Mo.), Davids (D-Kan.), Davis (R-Ill.), Garamendi (D-Calif.), Katko (R-N.Y.), Fitzpatrick (R-Pa.) and DC Delegate Eleanor Holmes Norton, to discuss infrastructure.

On March 11, Democrats on the House Energy and Commerce Committee unveiled the “LIFT America Act” - its \$312B infrastructure package that would authorize major investments in the country’s electrical, energy, and water (Safe

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Drinking Water SRF at @\$26B) infrastructure.

On March 14, Speaker Pelosi indicated that Democrats are moving full steam ahead in pursuit of an infrastructure and jobs package and that they will quickly work to pass a top priority of the Biden Administration.

On March 22, the House Energy and Commerce Committee held a full committee hearing on its LIFT Act.

On March 23, it was reported that the President's "Build Back Better" proposal could approach \$4T and that it would be pursued on two tracks – the first would center on roads, bridges, and other infrastructure as well as various climate change initiatives; the second on education and other priorities, including extending the child tax credit, universal prekindergarten and tuition-free community college.

On March 24, the Senate Environment and Public Works Committee marked up on a bipartisan basis the "Drinking Water and Wastewater Infrastructure Act of 2021 which includes \$14.65B over five fiscal years for both the CWSRF and SDWSRF and \$125M over five fiscal years for the Alternative Water Source Program, presumably for inclusion in a Senate mega infrastructure bill.

On March 25, Pete Buttigieg, Secretary of Transportation, testified before the House T&I Committee on infrastructure.

Also on March 25, at his press conference, the President announced that infrastructure is his next priority and that there would be some announcement about his package the week of March 29.

Today, March 31, the President will announce the first part of his multi-trillion-dollar economic recovery package, focusing on rebuilding roads, bridges and other infrastructure (see heading below) to be followed by a second plan later in April addressing child and health care.

Biden wants the infrastructure bill passed this summer at the latest.

Last year the House Democrats passed their mega-infrastructure bill, H.R. 2 "Moving Forward Act" (\$1.5T) which included \$40B for the CWSRF, \$25B for the SDWSRF, \$600 M for the Alternative Water Source Program (AWSP), and \$500 M for water recycling grants under the WIIN Act with project de-authorization process for inactive projects.

BIDEN INFRASTRUCTURE PROPOSAL

The report is that the infrastructure plan will come in at \$2.25T, contain funding for things like broadband, highways, and housing as follows: \$621B for highways (\$115B to modernize 20,000 miles of highways, roads, and main streets) and bridges (to fix the most economically significant large bridges and repair the worst 10,000 smaller bridges), highway safety (\$20B), transit (\$85B for modernization and system expansion), rail (including \$80B for Amtrak's repair backlog and to modernize the Northeast Corridor), ports and inland waterways and ferries (\$17B), airports (\$25B); electric vehicles (\$174B to accelerate the shift to electric vehicles, consumer rebates and tax incentives to buy American-made electric vehicles, a new grant and incentive program to build a national network of 500,000 charging stations by 2030, replace 50,000 diesel transit vehicles, and electrify at least 20% of yellow school buses); \$300B for housing; \$300B to booster U.S. manufacturing including \$50B for semiconductor manufacturing and \$30B for medical manufacturing; \$400B for elderly and disabled care; expand access to long-term Medicaid care services; give caregiving workers the opportunity to join a union; \$213B for housing including building and rehabilitating more than 50,000 homes for low and middle income homebuyers; \$180B for research in critical technologies; \$111B for water infrastructure to replace all lead pipes and service lines and to upgrade clean water, drinking water, wastewater and storm water systems; \$100B to build new schools and upgrade existing buildings, \$12B for community colleges infrastructure needs; \$25B to upgrade child care facilities; \$100B for broadband; \$100B for workforce development

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including \$40B to retain dislocated workers; and, \$18B to modernize Veterans Affairs' hospitals and \$10B to modernize federal buildings.

The combined price tag for this package and the second one to be announced within weeks (health care, child tax credit, paid medical and family leave, etc.) could come in at more than \$4T. Spending would be offset by a tax increase of up to \$3T targeted at wealthier Americans and corporations – an increase in the top individual tax rate for those making over \$400,000 from 37% to 39.6% and an increase in the corporate tax rate from 21% to 28%. Also possibly included, though not verified, taxing capital gains as normal income and imposing a minimum tax on profits companies make from foreign subsidiaries. Not included are an increase in the gas tax and the imposition of a vehicle mileage tax.

USMCA IMPACT

The Association, in conjunction with NADA and NAAA, is pursuing with the Administration, primarily with the U.S. Trade Representative, concerns it has regarding the impact of the new tariff increase on vehicles manufactured prior to July 1, 2020, the effective date of the USMCA. A letter on the issue, signed by NADA, NAAA and NIADA, was sent to Katherine Tai, U.S. Trade Representative, requesting a meeting.

FAIR ACT (FORCED ARBITRATION INJUSTICE REPEAL AC)

On February 11 Congressman Henry Johnson (D-GA-4) introduced as H.R. 963 (167 cosponsors now) the same bill that he introduced last Congress, H.R. 1423, and that passed the House. That bill would prohibit a pre-dispute arbitration agreement from being valid or enforceable if it requires arbitration of an employment, consumer, antitrust, or civil rights dispute. Also last Congress, Senator Blumenthal introduced S.610, a companion bill. No Senate action on either the House-passed bill or the Blumenthal introduced bill.

CFPB ACCOUNTING STANDARDS STUDY

No current action. Last Congress, no action on introduced bills; administrative action pending. Senator Thom Tillis (R-NC) introduced S.1564, the "Continued Encouragement for Consumer Lending Act." Congressman Vicente Gonzalez (D-TX-15) introduced H.R. 3182. Both bills would require the CFPB and other agencies to carry out a one-year study relating to accounting standards, focusing on the impact on credit availability, regulatory capital, financial institutions, investor decisions, and U.S. institutions. Further congressional action unclear given November 2019 directive by the Financial Accounting Standards Board to delay implementation of the new standards.

CFPB EXECUTIVE DIRECTOR

On March 10, the Senate Banking Committee, by a vote of 12-12, recommended to the full Senate the nomination of Rohit Chopra as the next executive director. A March 2 hearing was held on the nomination. Chopra, currently a member of the Federal Trade Commission, served as a CFPB assistant director and as student loan ombudsperson after the Bureau opened in 2011. At the FTC, Chopra has pushed the agency to be more skeptical of private equity buyers and more aggressive in using its rule-making powers to rein in businesses.

MILITARY LENDING

No current action. To review, DOD withdrew concerned issue in the MLA rule with formal filing. DOD had announced its intent to issue a proposed rulemaking in Jan. 2020.

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MINIMUM WAGE

There are numerous bills - too many to list in the Bill Tracking section below - that have been introduced on this issue including increases, etc. We are monitoring developments.

Last Congress, the House passed H.R. 582, "Raise the Wage Act," that would raise the federal hourly minimum to \$15 by 2024 (with yearly increments @ \$1.30) and also phase out the so-called "subminimum" wages for tipped workers, young workers and workers with disabilities. Senator Bernie Sanders (D-VT) introduced S. 150, basically the same bill. No Senate action on either House or Senate bill.

H.R. 1500, "CONSUMERS FIRST ACT"

This bill is from the last Congress. To date, it has not been introduced this year. Last Congress, the House passed H.R. 1500, the "Consumers First Act" on a party line vote. The bill revises provisions related to the administration of the Consumer Financial Protection Bureau (CFPB) - establishes requirements for staffing levels, political appointees, and the publication of consumer complaints regarding consumer financial products or services; states the duties of the Office of Fair Lending and Equal Opportunity (under current law, these are delegated by the CFPB Director); adds the duty to implement enforcement and supervisory authority regarding the fair lending laws; amends all statutory references to the "Bureau of Consumer Financial Protection" to refer instead to the "Consumer Financial Protection Bureau;" and, revises membership and meeting requirements for the Consumer Advisory Board. No Senate action on the bill.

DEBT COLLECTION BILLS

The following are bills from the last Congress. To date, none have been introduced this year. Last Congress, H.R. 5003 passed while all the other were reported. No Senate action on H.R. 5003.

The Ending Debt Collection Harassment Act of 2019 (H.R. 5021), a bill by Representative Ayanna Pressley (D-MA-7), to amend the Fair Debt Collection Practices Act (FDCPA) to prohibit a debt collector from contacting a consumer by email or text message without a consumer's consent to be contacted electronically, and prohibits the Consumer Financial Protection Bureau (CFPB) from issuing any rules implementing the FDCPA that allow a debt collector to send unlimited email and text messages to a consumer.

The Small Business Fair Debt Collection Protection Act (H.R. 5013), a bill by Representative Al Lawson (D-FL-5) that expands the FDCPA's protections to cover small business loans.

The Fair Debt Collection Practices for Service Members Act (H.R. 5003), a bill by Representative Madeleine Dean (D-PA-4) that amends the FDCPA to prohibit debt collectors from threatening service members or their families to have a service member's rank reduced, have their security clearance revoked, have them prosecuted under the Uniform Code of Military Justice, or communicating with a service member's chain of command to locate a service member.

The Small Business Lending Fairness Act (H.R. 3490), a bill by Representative Nydia Velázquez (D-NY-7), that would amend the Truth in Lending Act (TILA) to restrict the use of predatory small business loan contract clauses called "confessions of judgment."

E-TITLING/SALVAGE BRANDING

A titling issue has arisen in some states (Ohio, Nevada, Virginia, Oregon etc.) having to do with salvage branding per

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the JSI information reported to the NMVITIS data base. The Association, in conjunction with other stakeholders, is assessing the situation and its impact on the industry.

NHTSA STATE PILOT REGISTRATION RECALL NOTIFICATION PROGRAM

NHTSA announced a grant program that will give states funding to inform drivers about open recalls with vehicle registration and other points of contact. Maryland was the first participant. On January 15, 2021, NHTSA announced \$1.3 million for the States of California, Ohio and Texas.

SCHUMER'S CLEAN CARS FOR AMERICA PLAN

Included in Biden July 2020 \$2T infrastructure plan. Last Congress, Senator Chuck Schumer (D-NY) announced his Clean Cars for America Plan (not a bill, a concept plan). The Plan would give consumers a cash voucher to trade-in their gas-powered cars and buy U.S.-assembled plug-in electric, plug-in hybrid, or hydrogen fuel cell cars; establish a new grant program for access to charging infrastructure; and, provide incentives for manufacturers to build new factories or re-tool existing factories to assemble zero-emission vehicles or manufacture charging components. The Plan is supported by the Sierra Club, the NRDC, the League of Conservation Votes various labor unions, Ford and General Motors. Schumer said the Plan would result in 63 million fewer carbon-emitting cars and would create tens of thousands of good-paying jobs. Bill introduction of the plan is still a possibility as well as inclusion in the President's infrastructure plan and congressional action on an infrastructure bill.

AUTO CAUCUSES

No current action. Last Congress, Congresswoman Kaptur (D-OH-9) and Congressman Kelly (R-PA-16) served as co-chairs of the House Auto Caucus. Senator Portman (R-OH) and Senator Brown (D-OH) were co-chairs of the Senate Auto Caucus.

BILL TRACKING

Note: summary and updated status to be provided as they become available.

H.R.963 – 117th Congress (2021-2022)

To amend title 9 of the United States Code with respect to arbitration.

(See FAIR Act section above)

H.R.524 – 117th Congress (2021-2022)

To amend the Internal Revenue Code of 1986 to provide advance tax refunds to small businesses, and for other purposes.

Sponsor: Rep. Dean, Madeleine [D-PA-4] (Introduced 01/28/2021) Cosponsors: (1)

Committees: House - Ways and Means

Latest Action: House - 01/28/2021 Referred to the House Committee on Ways and Means.

H.R.745 – 117th Congress (2021-2022)

Fair Access to Credit Scores Act of 2021

Sponsor: Rep. Cohen, Steve [D-TN-9] (Introduced 02/03/2021) Cosponsors: (2)

Committees: House - Financial Services

Latest Action: House - 02/03/2021 Referred to the House Committee on Financial Services.

This bill requires certain consumer reporting agencies to disclose, upon request, as part of a consumer's free annual disclosure (1) the consumer's current credit score, (2) other information in the consumer's file regarding risk scores or

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predictors, and (3) any other consumer information the Consumer Financial Protection Bureau considers appropriate with respect to consumer financial education. Consumer reporting agencies must maintain these scores or predictors in a consumer's file for at least one year after the data is generated.

H.R.166 – 117th Congress (2021-2022)

Fair Lending for All Act

Sponsor: Rep. Green, Al [D-TX-9] (Introduced 01/04/2021) Cosponsors: (0)

Committees: House - Financial Services

Latest Action: House - 01/04/2021 Referred to the House Committee on Financial Services

This bill modifies provisions related to prohibited credit discrimination. The bill adds sexual orientation, gender identity, and an applicant's location based on zip code or census tract as classes protected against discrimination with respect to credit transactions. (Currently, discrimination is prohibited on the basis of race, color, religion, national origin, sex, marital status, age, or because an applicant receives public assistance.) The bill establishes criminal penalties for violations of prohibited credit discrimination. The Consumer Financial Protection Bureau is required to review loan applications for compliance with specified consumer laws and to establish an Office of Fair Lending Testing.

H.R.1491 – 117th Congress (2021-2022)

Fair Debt Collection Practices for Servicemembers Act

Sponsor: Rep. Dean, Madeleine [D-PA-4] (Introduced 03/02/2021) Cosponsors: (4)

Committees: House - Financial Services; Budget

Latest Action: House - 03/02/2021 Referred to the Committee on Financial Services, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

This bill prohibits a debt collector from representing to service members that failure to cooperate with a debt collector will result in a reduction of rank, a revocation of security clearance, or military prosecution. The Government Accountability Office must report on the impact of this prohibition on the timely delivery of information to service members, military readiness, and national security.

H.R.1657 – 117th Congress (2021-2022)

To amend the Consumer Financial Protection Act of 2010 and the Fair Debt Collection Practices Act to improve consumer protections relating to debt collection practices, and for other purposes.

Sponsor: Rep. Pressley, Ayanna [D-MA-7] (Introduced 03/08/2021) Cosponsors: (5)

Committees: House - Financial Services

Latest Action: House - 03/08/2021 Referred to the House Committee on Financial Services.

H.R.1840 – 117th Congress (2021-2022) To amend the Small Business Act and the CARES Act to extend the covered period for the paycheck protection program, and for other purposes. Sponsor: Rep. Malliotakis, Nicole [R-NY-11] (Introduced 03/11/2021) Cosponsors: (1) Committees: House - Small Business Latest Action: House - 03/11/2021 Referred to the House Committee on Small Business.

H.R.1589 – 117th Congress (2021-2022) To amend the Small Business Act to modify the exemption for re-hires for loan forgiveness under the paycheck protection program, and for other purposes. Sponsor: Rep. Rosendale Sr., Matthew M. [R-MT-At Large] (Introduced 03/03/2021) Cosponsors: (2) Committees: House - Small Business Latest Action: House - 03/03/2021 Referred to the House Committee on Small Business.

H.R.1246 – 117th Congress (2021-2022) To amend the Small Business Act to allow ranchers and farmers to use an alternative calculation for a maximum loan amount under the paycheck protection program. Sponsor: Rep. Kind, Ron [D-WI-3] (Introduced 02/23/2021) Cosponsors: (4) Committees: House - Small Business Latest Action: House -



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02/23/2021 Referred to the House Committee on Small Business.

S.723 – 117th Congress (2021-2022)A bill to amend the Small Business Act and the CARES Act to extend the covered period for the paycheck protection program, and for other purposes. Sponsor: Sen. Collins, Susan M. [R-ME] (Introduced 03/11/2021) Cosponsors: (8) Committees: Senate - Small Business and Entrepreneurship Latest Action: Senate - 03/17/2021 Committee on Small Business and Entrepreneurship. Hearings held.

S.815 – 117th Congress (2021-2022)A bill to amend the Small Business Act and the CARES Act to extend the covered period for the paycheck protection program, and for other purposes. Sponsor: Sen. Rubio, Marco [R-FL] (Introduced 03/17/2021) Cosponsors: (12) Committees: Senate - Small Business and Entrepreneurship Latest Action: Senate - 03/17/2021 Read twice and referred to the Committee on Small Business and Entrepreneurship