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## Legislative & Regulatory News

## Republicans net 60 House seats, 6 Senate seats and 7 governorships

The voters have spoken. NAEDA recaps the mid-term elections.

In this recap, we'll focus on federal government and state governor changes, but there were also major changes in state legislatures that will affect our industry's U.S. legislative and regulatory agenda moving forward.

We congratulate incumbent governors, representatives and senators who won re-election. We look forward to working with them again on issues important to our industry.

#### Senate

Next, we congratulate the new senators from 15 states: Arkansas, Connecticut, Delaware, Florida, Illinois, Indiana, Kansas, Kentucky, Missouri, New Hampshire, North Dakota, Ohio, Pennsylvania, Utah, and West Virginia. At the time of this writing, senator elections had not been decided in Alaska, Colorado and Washington. The 15 (possibly more) freshmen senators will be one of the largest crop of freshmen senators ever elected in a single election. Many won expressing disgust with Washington and may very well challenge Senate leadership once it is established in January when Congress reconvenes.

## House of Representatives

On the House side, there will be 60 new Republican seats along with a majority and leadership change in the new Congress. In this significant turnover to Republicans, priorities are bound to change on issues important to equipment dealers, such as: card check, cap and trade, business taxes, greenhouse gases, and more. Republicans appear to have picked up a majority of seats from districts that supported John McCain in the 2008 presidential election. Thirteen races have yet to be determined.

## State government

There were 37 gubernatorial elections. Of those, Republican appear to have gained 7 new state houses, while 15 governorships are still undecided. These governor races are important in this election as it will be their offices that will oversee federal and state redistricting based on the 2010 census. This redistricting or gerrymandering, as it is commonly called, will have a significant effect on the next election and the prize of the presidency in 2012. This redistricting is due to shifts in population and demographics. At the federal level, some states will lose house seats while others will gain them. These changes will also affect how the electoral votes are distributed for the 2012 presidential election.

As far as state houses, it appears 16 state legislative bodies were taken from Democratic control, including both chambers in Alabama and Wisconsin, the Michigan House, the Ohio House, and the Pennsylvania House.

To view 2010 election results, visit www.msnbc.msn.com/id/3032553/ns/politics?GT1=43001.

## Here we go again

The 15-month dash to the lowa caucuses began in earnest Nov. 3 so the next election cycle has already begun. Make sure your elected representatives, senators and governors know our priorities moving forward. Only your political participation will insure our success in 2011 and beyond.

## Wall Street Journal: What the newly elected Congress will mean for business

The Wall Street Journal breaks down what the effect of the newly elected Congress will be on trade, defense, energy and the environment, transportation, health care, pharmaceuticals, Wall Street, and telecommunications.

## Trade

One area where President Barack Obama and congressional Republicans could find common ground is trade. Mr. Obama wants to submit a revised South Korea free-trade agreement for congressional approval in January, and hopes to unveil new terms addressing U.S. auto and beef exports during the Group of 20 meeting of global leaders in Seoul next week. Mr. Obama has said he wants to boost U.S. exports by 50% during the next five years. Trade-skeptics in the Democratic caucus have blocked movement on trade-opening deals such as the South Korea treaty.

Jerry Seib and Neal Lipschutz discuss whether the GOP's House victory will impact the implementation of financial reform and health care.

Senate Minority Leader Mitch McConnell (R., Ky.,) said trade is one area where his caucus and the White House could work together. But it is unclear whether the new class of populist, tea-party Republicans share the traditional GOP view that free-trade deals are good for the U.S. economy overall. Big business groups see passage of the South Korea pact as a critical test of whether the White House and Congress can break the stalemate on trade issues. — Elizabeth Williamson

## Defense

Within national-security circles and the defense industry, there is some nervousness about whether the new

## **CEO Blog**

#### Vote for freedom! October 2010

With U.S. mid-term elections just around the corner, Nov. 2, 2010 provides each of us with the opportunity to express our political views through the ballot box. As always, no matter what your political persuasion, I encourage you to VOTE... it is a right and a privilege. As the saying goes, "If you don't vote, don't complain!"

Having voted in numerous elections during my lifetime, I cannot recall another election where I have felt so much was at stake. The results of this election may well decide whether individual freedom will prevail or how long the United States will be a leader on the world stage.

We elect senators and representatives to serve our needs and wishes. Yet, time and time again, the current members of Congress seem to ignore our desires and pass measures that serve selfish political whims. For many of us, this spending appears to be irresponsible, as if there is no tomorrow - thus, handcuffing our kids, grandkids and several future generations with an unsustainable debt load. Even when polls indicate a vast majority of Americans are opposed to a measure, they approve it anyway. From all outward appearances, these politicians seem to be much more concerned about their political career than our well-being (although they do their best to convince us that it is for our own good, even if we don't understand or appreciate it at the moment.)

So the real question on Nov. 2 is whether we should allow our elected officials to continue placing their desires above ours, or whether we will have the courage to correct the situation. My wife, Carol, frequently reminds me (in a friendly way) that she does not like to be ignored. That's how I feel about our political process today... I feel like I'm being ignored and I don't like it. Do you? Even if you feel an incumbent is doing a good job and you wish to return that person to office, before you vote, I encourage you to ask for his or her promise to pay greater attention to the needs of America as a whole rather than his or her own needs.

I believe most people on this earth prefer to have the freedom to make their own choices about their life. They want the freedom to pursue their own hopes and dreams and their definition of whatever is important to them to make their life happy, successful and fulfilled. They don't want someone else telling them how to live their lives. And they certainly don't want someone to tell them that they need to settle for the status quo or even less.

Our democracy exists because our forefathers had tremendous insight, character and strength of conviction. They stood for individual freedom. This election should be about whether we allow that individual freedom to flourish or expire (like so many other great ideas over the centuries that were bludgeoned by a ruling class who thought they knew what was best for their subjects).

Isn't it ironic that just when Congress is suggesting we're better off because of its recent actions, new poverty statistics indicate more Americans are living in poverty than at any time during the last 50 years? Something is wrong with that picture, especially when the U.S. is touted

Congress could push broader cuts in defense spending as part of an attack on the swelling federal deficit. In the past, a Republican House and a more conservative Senate would have been a guarantee of continued defense budget growth. But the influx of tea-party candidates, elected on promises to oppose pork-barrel deals and earmarks and reverse the growth of federal spending, could chart a different course. Debate over how much more to spend on the war in Afghanistan could become a test of the new Congress's direction ahead of the administration's deadline to begin phased withdrawals in July 2011.

Adding to the uncertainty is the expected departure of Defense Secretary Robert Gates in 2011. Mr. Gates, who served as a secretary of defense under George W. Bush before joining the Obama administration, commands the respect of congressional Republicans. — Nathan Hodge

#### **Energy and Environment**

A Republican House represents a big challenge to Mr. Obama's ambitious agenda on energy and the environment. House Republican leaders have said they intend to fight and if necessary deprive funds to the effort by Mr. Obama's Environmental Protection Agency administrator, Lisa Jackson, to regulate greenhousegas emissions across wide swaths of the economy using the Clean Air Act. Ms. Jackson could also come under fire from coal-state Democrats in the Senate.

Another potential flash point: offshore drilling. Republicans are expected to call on the Interior Department to speed approval of permits that oil companies need to drill in deep-water areas of the Gulf of Mexico.

Republicans also could challenge the Obama administration's effort to stop construction of a nuclear-waste repository at Yucca Mountain in Nevada—a decision opposed by the nuclear-power industry. Tuesday's victory by Senate Majority Leader Harry Reid, a longtime foe of the project, should keep Yucca Mountain in the deep freeze for now. — Stephen Power

#### Transportation

This is supposed to be the year that Congress acts on a big, multiyear bill to finance road building, airport construction and other transportation projects. The Obama administration last year successfully pushed for a delay of action on a proposed \$500 billion transportation bill, despite strong protests from House Transportation and Infrastructure Committee Chairman James Oberstar, (D., Minn.) Now, Mr. Oberstar is gone—defeated in his bid for re-election. Ready to take his place is U.S. Rep. John Mica (R., Fla.) Mr. Mica said in a statement Wednesday that passing a long-term highway and transit plan and measures to fund the Federal Aviation Administration and water projects are his top priorities. Mr. Mica also called for a "better directed high-speed rail program." Mr. Mica is more likely than Mr. Oberstar to encourage a bigger role for private investors in building new infrastructure projects, and has called for streamlining the process of getting projects

Infrastructure spending is one area where business groups welcome federal spending. The U.S. Chamber of Commerce, which invested heavily to defeat congressional Democrats in the 2010 elections, has supported raising taxes to fund transportation improvements. — Melanie Trottman

#### **Health Care**

Health-care companies see the Republican win as a chance to chip away at aspects of Mr. Obama's health overhaul least favorable to the industry. Insurance companies, drug manufacturers and hospitals say they will press to peel away the law's new taxes on health-care companies, pass tougher medical malpractice curbs and knock down a new board that recommends Medicare spending cuts. Opponents of the law may have the most success removing the law's new tax-reporting requirement that requires businesses to file a 1099 tax form when they pay a vendor more than \$600 in a year. Where the health industry is most concerned about the Republicans' plans is the party's strong opposition to the law's requirement that most Americans carry insurance or pay a fine, something that could cost health-care providers millions of new customers. House Republicans say they plan to pass a bill repealing the law. That will almost certainly die in the Senate or on Mr. Obama's desk. — Janet Adamy

## Pharmaceuticals

The pharmaceutical industry wants to hold on to concessions it won from Democrats during their reign in Congress, while benefiting from antiregulatory sentiment among Republicans who captured the House, industry lobbyists said.

In negotiations over the health bill that passed in March, the industry offered \$80 billion in savings and won a promise from the White House not to pursue certain cost-cutting steps such as importing cheaper drugs from Canada. About half of the savings was intended to close a gap or "doughnut hole" in Medicare drug coverage that some seniors face. Despite Republican calls for a repeal of the health law, drug-industry lobbyists say they don't expect a GOP bid to reopen the doughnut hole because it would anger seniors and risk giving wounded Democrats a rallying cry. The incoming Republicans also may be more sympathetic to industry views on regulation, such as the industry's push to continue a system under which companies pay user fees to get faster decisions on drug applications. — Alicia Mundy

## Wall Street

House Republicans didn't wait for the final results of Tuesday's vote to launch their assault on the Obama administration's effort to tighten regulation of Wall Street.

Rep. Spencer Bachus, an Alabama Republican who will be one of the contenders to take over the House Financial Services Committee next year, said Wednesday he wants to rewrite "job-killing provisions" of the Dodd-Frank financial-overhaul law, starting with new rules on derivatives trading. Also high on Mr. Bachus's agenda: overhauling mortgage-finance giants Fannie Mae and Freddie Mac. Republicans want to wind down the two companies, currently under government control.

But any effort to change Dodd-Frank would need Democratic support in the Senate, and then Mr. Obama's signature. In the event those aren't forthcoming, House Republicans could try to cut off funding for agencies implementing Dodd-Frank or grill administration officials in Capitol Hill hearings. — Victoria McGrane

## Telecommunications

House Republicans will likely put the brakes on efforts by the Federal Communications Commission to reregulate Internet lines. Phone and cable companies are fighting the plan, and Republicans have already warned the FCC to drop the plan.

Telecom and tech policy issues are likely to take a back seat next year. But Republicans and Democrats could find common ground in efforts to write stronger rules on Internet privacy. On Wednesday, two leaders of the House Energy and Commerce Committee, Rep. Joe Barton (R., Texas) and Rep. Ed Markey (D., Mass.), jointly warned that they plan to put "Internet privacy policies in the crosshairs" with hearings and legislation. — Amy Schatz

To view *The Wall Street Journal* article, click <a href="http://online.wsj.com/article/SB10001424052748704506404575592462788545960.html">http://online.wsj.com/article/SB10001424052748704506404575592462788545960.html</a>. If it will not open, copy/paste the Web address into your browser.

The Wall Street Journal Nov. 3, 2010 as being the most successful and prosperous nation on earth. Nearly 10 percent of our workforce is unemployed and can't find a job. Many college graduates are desperately looking for a job in their field. Something is wrong with that picture as well.

I, for one, will exercise my right to vote Nov. 2 and I will make my choices for people who demonstrate support for individual freedom and democracy. For democracy to continue, more people need to express their opinion through the ballot box. To guarantee our nation's ongoing precious democracy, we need to preserve individual freedom – and that's the way I see it.

Paul Kindinger is president/CEO of the North American Equipment Dealers Association. The association, in coordination with affiliated state, provincial and regional associations, provides educational, legal, legislative, and financial services to approximately 5,500 retail agricultural, construction, large property/ rural lifestyle, and outdoor power equipment dealers in the United States and Canada.

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The North American Equipment Dealers Association provides educational, legal, legislative, and financial services to approximately 5,500 retail agricultural, construction, large property/rural lifestyle, and outdoor power equipment dealers in the United States and Canada

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## New Tier 4 clean diesel technology: Off-road equipment industry publishes FAQ report

Five leading off-road equipment industry associations, including NAEDA, have published a "frequently asked questions" (FAQ report) about Tier 4 technology – the next generation of clean diesel emissions standards established by EPA under the federal Clean Air Act. These standards apply to new diesel engines used in off-road equipment beginning in 2011.

The following groups are collaborating with the Diesel Technology Forum (DTF) on the Tier 4 FAQ report:

- Associated Equipment Distributors (AED)
- Association of Equipment Manufacturers (AEM)
- American Rental Association (ARA)
- Farm Equipment Manufacturers Association (FEMA)
- North America Equipment Dealers Association (NAÉDA)

"Many dealers and customers have questions about how the new Tier 4 regulations will affect them," said Allen Schaeffer, DTF executive director. "So, together with our industry partners, we've developed this information to help ease the transition for prospective equipment owners, dealers, rental agencies and others in the off-road industry as the new rules come into effect."

The report includes emissions tables, technical graphics and other resources.

Among the issues addressed in the report are:

- How will the new Tier 4 engines be different from previous engines?
- Do the new Tier 4 engines require different fuel? Can I use biodiesel?
- How will Tier 4 engines affect the value of my trade-ins?
- What additional technician training and certifications will be needed?
- What additional dealer diagnostic equipment will be needed?
- What other emissions-related issues are we likely to hear about in the future?

The report can be downloaded here or from these other Web sites:

AED - www.aednet.org

AEM – www.aem.org

ARA - www.ararental.org

FEMA – www.FarmEquip.org

DTF - www.dieselforum.org

For more information contact: Nick Yaksich 202/898-9065; nyaksich@aem.org

## Survey: Share your input about young farmer/rancher equipment purchasing

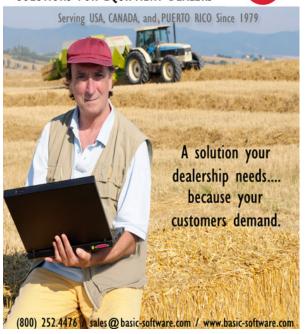
NAEDA is working with the Association of Equipment Manufacturers to develop a legislative proposal for the next Farm Bill to create initiatives for young farmers and ranchers to purchase new equipment.

To establish the most effective program, we need your input and expertise. Complete this <u>survey</u> by Nov. 12 to help us design the program.

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**Industry & Manufacturing News** 

## Landoll Corporation acquires Brillion Farm Equipment

www.businesswire.com/news/home/20101102007300/en/Accuride-Corporation-Announces-Sale-Brillion-Farm-EquipmentTM

## Mahindra tractor sales increase 29 percent in October

news.indiamart.com/story/mahindra-tractors-sales-register-29-rise-october-99806.html

#### Find farm equipment auctions at AuctionTime.com through Dec. 1

AuctionTime.com is the newest online auction source for farm equipment, construction equipment and trucks and trailers. It has no buyer's fees, free bidder registration, and no hidden reserves. Sellers set their opening bid price, and pay one low flat fee only if the machine takes a bid. Once a bidder registers, they have access to the seller's contact information, so unlike conventional auctions they can discuss specifics about the machines or go see the machine themselves. Auctions end each **Wednesday** with proxy bidding opening seven days prior to the auction end.

AuctionTime.com is a dealer's best option for moving equipment quickly and economically.

"AuctionTime.com has helped many sellers and bidders come together to move equipment," said AuctionTime. com manager Evan Welch. "What's great about AuctionTime.com is that we give buyers confidence – they are purchasing from a dealer who we do business with every week. They trust the piece of equipment is represented correctly, and can ask the seller questions before the auction. AuctionTime.com gives sellers freedom to post equipment at their convenience, and they set their own opening bid price. Also, dealers are not out anything if the machine does not take a bid, and if it does take a bid they are only charged a small flat fee. Since buyers are not charged any fees, they have more buying power in the auction. The result is savings for everyone!"

AuctionTime.com features farm equipment auctions, including tractors, combines, planters, hay balers, sprayers, cotton pickers & strippers, and headers, plus much more.

AuctionTime.com has more than 100 farm equipment <u>absolute auctions ending Dec. 1, 2010</u>. All are **absolute auctions** with **no hidden reserves**. Proxy bidding for these items opens on Nov. 24, and live bidding opens on Nov., 30. Register to bid and search listings at AuctionTime.com. Please contact your TractorHouse sales representative to list equipment for this auction date.

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## **NAEDA & Association News**

## KPA announces new services to benefit equipment dealers

blog.kpaonline.com/2010/11/announcing-the-latest-kpa-services/

## Canada West YouTube video makes the case for ag technician careers

www.youtube.com/watch?v=9xoP4FMqm9w

## EDA: Agricultural sales trends, 2000-2010, plus monthly UCC stats

www.edadata.com/IndustryInsight/agriculture.html?contactID=146856408&gwkey=MF49S3GWXC



## Canadian News

## Canada's dollar gains for second straight month on global growth optimism

www.altiusdirectory.com/News/Business/global-growth-optimism-helps-canadian-dollar-12837.html

## Canada's economy gets a growth spurt

www.theglobeandmail.com/report-on-business/canadas-economy-gets-a-growth-spurt/article1777639/



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Tip of the Month



Beyond Employees' "Right to Know" regarding material safety information

## Free KPA webinars

Nov. 11 - <u>How to Write An Employee Handbook</u>

Nov. 18 - OSHA 300 Logs: How To Do Them Right!

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