

## Kubota Credit extends finance deadline; NAEDA board approves new policies



This "Action Alert" icon will be displayed whenever action steps exist to help your voice be heard on topical issues. Dealers can expect to see alerts in all forms of NAEDA communications.

Manufacturer Relations		
ISSUE	ACTION SUMMARY	NAEDA'S POSITION
<b>Kubota Credit</b>	NAEDA and its affiliates received immediate reactions from dealers about aspects of a new Kubota credit agreement. Top Kubota officials have emphasized the credit agreement was not intended to put dealers in jeopardy and have agreed to give dealers a 30-day extension (to Oct. 31) to sign the agreement. Whether this extension will lead to an amended agreement or a total rewrite of the contract is not yet known.	The initial analysis of the agreement was unfavorable when reviewed by NAEDA, its affiliates and association counsel. However, the extension of the signing deadline for 30 days indicates that dealers' issues are being taken seriously by Kubota and the process to make changes is underway.
<b>Farmtrac</b>	As noted in last month's <i>Advocacy Update</i> , representatives from NAEDA and the SouthWestern Association met with senior officials of Textron Financial to discuss lingering issues related to dealer inventory and floorplan terms. The purpose of the meeting was to formulate viable alternatives to help dealers and Textron move forward with liquidating remaining Farmtrac inventory.	The options presented to dealers for resolving the issues seem to be working. Dealer comments about Textron's willingness to offer the options we suggested have been favorable. We appreciate Textron's commitment to the process.
<b>Warranty Claim Processing System</b>	NAEDA received an update during its board meeting (held in September) about the Warranty Claim Processing System, the online initiative supported by NAEDA, FEWA-AIMRA and FEMA. Vernon Schmidt, who will become the top executive at FEMA after the first of the year, discussed the number of manufacturers that are committed to getting the system launched. He also acknowledged there are various reasons why some FEMA members are hesitant to participate.	NAEDA President/CEO Paul Kindinger believes dealers could play a key role in the launch of the system, which would provide dealers with a single source warranty system to simplify the claims process and improve data input accuracy. He encouraged NAEDA board members (and other dealers) to speak with officials of the shortline companies they represent and request their participation.
<b>Titling and Registration</b>	NAEDA's board received an update about titling and registration. The association, under the leadership of former NAEDA chairman Dennis Booth, has been working with a task force of industry shareholders to study the feasibility of equipment titling and registration. Booth, a Case IH dealer in Yuma, Ariz., said there currently isn't enough support for titling and registration, but noted a sufficient roadmap has been created if the need arises.	The task force chaired by Dennis Booth produced an excellent report about the pros and cons of equipment titling and registration. The report is available under the Advocacy Update tab on the main menu at <a href="http://www.naeda.com">www.naeda.com</a> . Should the matter be revisited, the report offers a solid foundation of issues to consider.

Government Relations		
ISSUE	ACTION SUMMARY	NAEDA'S POSITION
<b>Labor Policy</b>	NAEDA's board adopted a new Labor Policy during its meeting in September.	NAEDA supports long-standing principles of balance and fairness in federal and state labor laws. Legislation considered an assault on the rights of employees and employers or a threat to constructive dialogue and agreement between employees and employers will be opposed by NAEDA.
<b>Consumer Financial Protection</b>	NAEDA's board adopted a new Consumer Financial Protection Policy during its meeting in September.	NAEDA supports efforts to enhance consumer financial protection that provides safeguards against fraudulent organizations and their predatory products, services and activities. NAEDA supports efforts to ensure consumer access to clear and concise information about the terms and conditions of products and the risks they pose. NAEDA opposes legislation that weakens consumer protection by allowing government to dictate the financial products that can be chosen. It also opposes any legislation that adds layers of government bureaucracy, imposes new costs to taxpayers, consumers and businesses, or threatens the privacy of personal financial information.
<b>Greener Gardens Act of 2009</b>	This legislation would authorize up to a 25 percent tax credit (maximum of \$1,500) toward the purchase of environmentally friendly lawn, garden and forestry power equipment.	NAEDA's board voted to support this legislation because it complements the guidelines in the association's energy and tax policies.

A companion reference is regularly updated in the Dealer Advocacy Center at [www.naeda.com](http://www.naeda.com).

## NAEDA notes

### Health care

The long-awaited Senate Finance Committee health care proposal has been marked-up by Sen. Max Baucus (D-MT), chairman of the committee. The proposal has been met with praise by some Democrats and opposition from both Democrats and Republicans in the Senate and the House. At the time of publication, there were 564 amendments filed on the Baucus bill, which leads us to think this is going to be a longer process than anticipated.

The purpose of this summary is not to analyze the bill, which will be in a constant state of change with all the amendments being considered, but to give dealers an idea how this process is going to play out in the coming weeks or months. The town hall meetings and other public events during the August congressional recess period appear to have made Congress more receptive to the concerns expressed at those meetings. This could make the entire process more complicated for Congress and the Obama administration.

We believe the Senate will continue to move the Baucus bill forward through the committee process before it heads to the Senate floor for discussion. This will likely lead to additional amendments before the bill is approved and sent to the House. It is the final Senate vote that will be the interesting part of this legislation.

The Senate has two options for passage of the bill – the traditional method where 60 votes will be needed for a cloture vote and a second final vote taken for passage, or the non-traditional method of a reconciliation vote that would require only 51 votes for passage. A reconciliation vote was authorized as part of the budget agreement passed by the Senate earlier this year. That agreement specifically allows for a reconciliation vote on health care measures.

However, if a Senate bill passes, it will be sent to the House for a conference committee to reconcile differences in the House-passed bill, H.R. 3200, or other bills it might pass between now and then. It will be in conference committee where more negotiations will take place and a final bill will be drafted for both chambers to vote on again. Now you can see why we are saying it could be weeks or months before a final bill is agreed to.

The final step is to have a bill that is acceptable to the Obama administration. Rumor also has it that his administration is drafting its own bill.

### NAEDA Fly-In

The 2010 NAEDA Fly-in to Washington, D.C., will be April 14-15, 2010. Dealers are encouraged to mark their calendars. The timing for next year's fly-in couldn't be better. It will take place after some state primaries where public opinions about issues will be analyzed. Dealers can make a difference in shaping the discussions as congressional members will be focused on the fall elections and nailing down primary votes.