



“CASH FOR CLUNKERS”



The Automotive Recyclers Association (ARA) urges the U.S. Congress to address deficiencies in “cash for clunker” legislation that would adversely affect American families’ pocketbooks and limit their motor vehicle choices. The current legislation prohibits the resale of the engine block and drive train – potentially the most valuable components of a retired vehicle. A decline in the availability of these essential component parts may lead to future increased parts cost for consumers and automotive repair facilities.

ARA URGES CONGRESS TO:

1. Allow professional automotive recyclers to reuse and sell all recyclable automotive parts from vehicles submitted through the program.
2. Only allow licensed/registered automotive recyclers and scrap processors to acquire vehicles from automobile dealers.
3. Ensure sufficient reporting of vehicle information to the National Motor Vehicle Title Information System (NMVTIS).
4. Require participation in the National Vehicle Mercury Switch Recovery Program (NVMSRP).

AUTOMOTIVE RECYCLING FACTS:

- Engine and drive train components account for 50% – 60% of the average automotive recycler’s gross sales, demonstrating a strong consumer demand – hence need - for these replacement parts.
- Environmentally, the reuse of automobile parts prior to their ultimate recycling is preferable to merely recycling the metal as scrap.
- The automotive recycling industry saves 85 million barrels of motor fuel per year.
- By reusing and not having to produce a replacement part, recycled engine and transmission parts provide a huge benefit to the environment. In fact, a single recycled engine versus a new engine saves 261 kg of carbon dioxide (CO²) production while a recycled automatic transmission averts 179 kg of CO².
- Not every owner of an older vehicle will have the ability, even with the proposed voucher, to purchase a new or used vehicle, and will need to have their vehicle repaired with the most cost-effective parts available.
- Reducing the supply of quality recyclable OEM parts for vehicle repair will lead to increased prices on those essential replacement parts for low-income consumers who need to get their cars fixed.
- Without access to quality “recyclable” parts, this bill will also harm thousands of independent repair shops, auto restorers, customizers and their customers across the country that depend on the recycled parts to repair cars. These businesses are already distressed in this weak economy.
- Allowing the resale of all parts from vehicles retired, including engines and drive trains, is better for the consumer, better for the environment, and better for the economy.

Since 1943, the Automotive Recyclers Association (“ARA”) represents an industry dedicated to the efficient removal and reuse of “green” automotive parts, and the proper recycling of inoperable motor vehicles. ARA represents over 4,500 auto recycling facilities in the United States and fourteen other countries around the world. With programs such as the Certified Automotive Recycler Program (CAR) and other partnerships, ARA members continue to provide consumers with quality, low-cost alternatives for vehicle replacement parts, while preserving our environment for a “greener” tomorrow.