

NEWS

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N E W S L E T T E R

AUTOMOTIVE RECYCLING INDUSTRY OF NEBRASKA

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CASH FOR CLUNKERS UPDATE

What appears in this newsletter is information gleaned from various sources including Auto Data Direct and the Automotive Recyclers Association.

As this program came up rather quickly, information has been somewhat fragmented on just what is required for record-keeping and other particulars.

As we write this letter, we're waiting for word if the U.S. Senate will pass an additional \$2 billion (over the original \$1 billion) for the Cash for Clunkers Program. Should the funding not pass before the Senate goes home for the August recess, the program is essentially over for this time.

We visited with the

Nebraska Department of Motor Vehicles today, and they are not certain what will happen to the titles of the vehicles that have been traded in, but after visiting with others in the industry, it is assumed they will be handled the same as when you totally "junk a vehicle." After the 180 days, the shell and engine of the vehicle must be crushed, and at that time, the title will be turned in as you are doing at the present time.

- Cars received must be reported to the NMVTIS by auctions and salvage auctions within 3 days of receiving and 3 days of selling.
- Cars must be reported to NMVTIS by dismantlers, recyclers, crushers and shredders within 7 days of receiving and 7 days of

selling.

- Dismantlers, recyclers, crushers and shredders must physically crush the vehicle within 6 months of receiving. Any parts pulled from the vehicles can be sold before or after the 6 months. Please see www.cars.gov for specific requirements for the motor and drive train parts.
- All businesses participating must have all applicable licenses and registrations required in their state and be in good standing.
- Dismantlers, recyclers, crushers and shredders must be on the National Mercury Switch List (ELVS) to participate. Applications can be received on-line at www.elvsolutions.org. The people at ELVS have been

swamped and are asking companies that wish to sign-up to print the on-line application, complete it and fax/email it in. Phone calls are slowing them down.

- Dismantlers, recyclers, crushers and shredders can get cars directly from dealers, but the vehicles must be non-operable when picked up.
- All paperwork must be handled in the appropriate manner for the state of operation. Some states are sending out memos on special, specific handling for these vehicles and participants should check with their state's Department of Motor Vehicles.
- Please note there are specific forms for each participating entity required for handling the vehicles. These forms must be completed and are available at www.cars.gov.

At the time you receive a vehicle, you are required to complete and deliver the signed Disposal Facility Certification Form to the dealer or salvage auction that transferred the vehicle assuring compliance with the following requirements of the law:

- The vehicle has not been and will not be sold, leased, exchanged or otherwise disposed of for use as an auto in the U.S. or other country.

- The vehicle will not be transferred to another disposal facility prior to its crushing or shredding.
- You will not sell or transfer the vehicles engine block and drive train (unless with respect to the drive train, the transmission, drive shaft or read end are sold as separate parts) at any time prior to its crushing or shredding.
- You properly remove and dispose of refrigerants, antifreeze, lead products, mercury switches, and other toxic or hazardous vehicle components prior to the crushing or shredding of the trade-in vehicle in accordance with all applicable Federal and State requirements under the supervision of the owner of the vehicle recycling firm.
- You remove and return for proper disposal, all mercury switches in accordance with the procedures of the National Vehicle Mercury Switch Recovery Program (NVMSRP).
- You crush or shred (or cause to be crushed or shredded on your premises) the trade-in vehicle within 180 days after the date of receipt.
- Report to NMVTIS that your facility crushed or shredded the vehicle not more than 7 days after the date of crushing or shredding.
- Disposal facilities must

keep records of all transactions under the CARS Act and regulations there under for a period of five years from the date on which they were generated or acquired by the manufacturer, salvage auction, dealer or disposal facility, and shall promptly make those records available to the NHTSA Enforcement or DOT's Office of the Inspector General upon request.