

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 2454  
OFFERED BY MS. SUTTON OF OHIO, MR. INSLEE  
OF WASHINGTON, MR. DINGELL OF MICHIGAN,  
MR. STUPAK OF MICHIGAN, AND MR.  
BRALEY OF IOWA**

Insert after section 127 the following new section:

1 **SEC. 128. TEMPORARY VEHICLE TRADE-IN PROGRAM.**

2 (a) ESTABLISHMENT.—There is established in the  
3 National Highway Traffic Safety Administration a pro-  
4 gram to be known as the “Cash for Clunkers Temporary  
5 Vehicle Trade-in Program” through which the Secretary,  
6 in accordance with this section and the regulations pro-  
7 mulgated under subsection (e), shall—

8 (1) authorize the issuance of an electronic  
9 voucher, subject to the specifications set forth in  
10 subsection (d), to offset the purchase price or lease  
11 price for a qualifying lease of a new fuel efficient  
12 automobile upon the surrender of an eligible trade-  
13 in vehicle to a dealer participating in the Program;

14 (2) certify dealers for participation in the Pro-  
15 gram and require that all certified dealers—

1           (Λ) accept vouchers as provided in this  
2           section as partial payment or down payment for  
3           the purchase or qualifying lease of any new fuel  
4           efficient automobile offered for sale or lease by  
5           that dealer; and

6           (B) in accordance with subsection (d)(2),  
7           dispose of each eligible trade-in vehicle surren-  
8           dered to the dealer under the Program;

9           (3) in consultation with the Secretary of the  
10          Treasury, make payments to dealers for vouchers ac-  
11          cepted by such dealers prior to April 1, 2010, in ac-  
12          cordance with the regulations issued under sub-  
13          section (e);

14          (4) in consultation with the Secretary of the  
15          Treasury, provide for the payment of rebates to per-  
16          sons who qualify for a rebate under subsection  
17          (d)(3); and

18          (5) in consultation with the Secretary of Treas-  
19          ury and the Inspector General of the Department of  
20          Transportation, establish and provide for the en-  
21          forcement of measures to prevent and penalize fraud  
22          under the Program.

23          (b) QUALIFICATIONS FOR AND VALUE OF VOUCH-  
24          ERS.—A voucher issued under the Program shall have a  
25          value that may be applied to offset the purchase price or

1 lease price for a qualifying lease of a new fuel efficient  
2 automobile as follows:

3 (1) \$3,500 VALUE.—The voucher may be used  
4 to offset the purchase price or lease price of the new  
5 fuel efficient automobile by \$3,500 if—

6 (A) the new fuel efficient automobile is a  
7 passenger automobile and the combined fuel  
8 economy value of such automobile is at least 4  
9 miles per gallon higher than the combined fuel  
10 economy value of the eligible trade-in vehicle;

11 (B) the new fuel efficient automobile is a  
12 category 1 truck and the combined fuel econ-  
13 omy value of such truck is at least 2 miles per  
14 gallon higher than the combined fuel economy  
15 value of the eligible trade-in vehicle;

16 (C) the new fuel efficient automobile is a  
17 category 2 truck that has a combined fuel econ-  
18 omy value of at least 15 miles per gallon and—

19 (i) the eligible trade-in vehicle is a  
20 category 2 truck and the combined fuel  
21 economy value of the new fuel efficient  
22 automobile is at least 1 mile per gallon  
23 higher than the combined fuel economy  
24 value of the eligible trade-in vehicle; or

1 (ii) the eligible trade-in vehicle is a  
2 category 3 truck of model year 2001 or  
3 earlier; or

4 (D) the new fuel efficient automobile is a  
5 category 3 truck and the eligible trade-in vehi-  
6 cle is a category 3 truck of model year of 2001  
7 or earlier and is of similar size or larger than  
8 the new fuel efficient automobile as determined  
9 in a manner prescribed by the Secretary.

10 (2) \$4,500 VALUE.—The voucher may be used  
11 to offset the purchase price or lease price of the new  
12 fuel efficient automobile by \$4,500 if—

13 (A) the new fuel efficient automobile is a  
14 passenger automobile and the combined fuel  
15 economy value of such automobile is at least 10  
16 miles per gallon higher than the combined fuel  
17 economy value of the eligible trade-in vehicle;

18 (B) the new fuel efficient automobile is a  
19 category 1 truck and the combined fuel econ-  
20 omy value of such truck is at least 5 miles per  
21 gallon higher than the combined fuel economy  
22 value of the eligible trade-in vehicle; or

23 (C) the new fuel efficient automobile is a  
24 category 2 truck that has a combined fuel econ-  
25 omy value of at least 15 miles per gallon and

1           the combined fuel economy value of such truck  
2           is 2 miles per gallon higher than the combined  
3           fuel economy value of the eligible trade-in vehi-  
4           cle and the eligible trade-in vehicle is a category  
5           2 truck.

6           (d) PROGRAM SPECIFICATIONS.—

7           (1) LIMITATIONS.—

8                   (A) GENERAL PERIOD OF ELIGIBILITY.—A  
9           voucher issued under the Program shall be used  
10          only for the purchase or qualifying lease of new  
11          fuel efficient automobiles that occur between  
12          March 30, 2009 and March 31, 2010.

13                   (B) NUMBER OF VOUCHERS PER PERSON  
14          AND PER TRADE-IN VEHICLE.—Not more than  
15          1 voucher may be issued for a single person and  
16          not more than 1 voucher may be issued for the  
17          joint registered owners of a single eligible trade-  
18          in vehicle.

19                   (C) NO COMBINATION OF VOUCHERS.—  
20          Only 1 voucher issued under the Program may  
21          be applied toward the purchase or qualifying  
22          lease of a single new fuel efficient automobile.

23                   (D) CAP ON FUNDS FOR CATEGORY 3  
24          TRUCKS.—Not more than 7.5 percent of the  
25          total funds made available for the Program

1 shall be used for vouchers for the purchase or  
2 qualifying lease of category 3 trucks.

3 (E) COMBINATION WITH OTHER INCEN-  
4 TIVES PERMITTED.—The availability or use of a  
5 Federal, State, or local incentive or a State-  
6 issued voucher for the purchase or lease of a  
7 new fuel efficient automobile shall not limit the  
8 value or issuance of a voucher under the Pro-  
9 gram to any person otherwise eligible to receive  
10 such a voucher.

11 (F) NO ADDITIONAL FEES.—A dealer par-  
12 ticipating in the program may not charge a per-  
13 son purchasing or leasing a new fuel efficient  
14 automobile any additional fees associated with  
15 the use of a voucher under the Program.

16 (G) NUMBER AND AMOUNT.—The total  
17 number and value of vouchers issued under the  
18 Program may not exceed the amounts appro-  
19 priated for such purpose.

20 (2) DISPOSITION OF ELIGIBLE TRADE-IN VEHI-  
21 CLES.—

22 (A) IN GENERAL.—For each eligible trade-  
23 in vehicle, the title of which is transferred to a  
24 dealer under the Program, the dealer shall cer-  
25 tify to the Secretary, in such manner as the

1 Secretary shall prescribe by rule, that the vehi-  
2 cle, including the engine and drive train—

3 (i) will be crushed or shredded within  
4 such period and in such manner as the  
5 Secretary prescribes, or will be transferred  
6 to an entity that will ensure that the vehi-  
7 cle will be crushed or shredded within such  
8 period and in such manner as the Sec-  
9 retary prescribes; and

10 (ii) has not been, and will not be, sold,  
11 leased, exchanged, or otherwise disposed of  
12 for use as an automobile in the United  
13 States or in any other country, or has been  
14 or will be transferred, in such manner as  
15 the Secretary prescribes, to an entity that  
16 will ensure that the vehicle has not been,  
17 and will not be, sold, leased, exchanged, or  
18 otherwise disposed of for use as an auto-  
19 mobile in the United States or in any other  
20 country.

21 (B) SAVINGS PROVISION.—Nothing in sub-  
22 paragraph (A) may be construed to preclude a  
23 person who dismantles or disposes of the vehicle  
24 from—

1 (i) selling any parts of the disposed  
2 vehicle other than the engine block and  
3 drive train (unless the engine or drive train  
4 has been crushed or shredded); or

5 (ii) retaining the proceeds from such  
6 sale.

7 (C) COORDINATION.—The Secretary shall  
8 coordinate with the Attorney General to ensure  
9 that the National Motor Vehicle Title Informa-  
10 tion System and other publicly accessible and  
11 commercially available systems are appro-  
12 priately updated to reflect the crushing or  
13 shredding of vehicles under this section and ap-  
14 propriate re-classification of the vehicles' titles.

15 (3) ELIGIBLE PURCHASES OR LEASES PRIOR TO  
16 DATE OF ENACTMENT.—A person who purchased or  
17 leased a new fuel efficient vehicle after March 30,  
18 2009, and before the date of enactment of this sec-  
19 tion is eligible for a cash rebate equivalent to the  
20 amounts described in subsection (b)(1) if the person  
21 provides proof satisfactory to the Secretary that—

22 (A) the person was the registered owner of  
23 an eligible trade-in vehicle; and



1           (B) such vehicle has been disposed of in  
2           accordance with clauses (i) and (ii) of para-  
3           graph (2)(A).

4           (e) REGULATIONS.—Notwithstanding the require-  
5           ments of section 553 of title 5, United States Code, the  
6           Secretary shall promulgate final regulations to implement  
7           the Program not later than 30 days after the date of the  
8           enactment of this section. Such regulations shall—

9           (1) provide for a means of certifying dealers for  
10          participation in the program;

11          (2) establish procedures for the reimbursement  
12          of dealers participating in the Program to be made  
13          through electronic transfer of funds for both the  
14          amount of the vouchers and any reasonable adminis-  
15          trative costs incurred by the dealer as soon as prac-  
16          ticable but no longer than 10 days after the submis-  
17          sion of a voucher for the new fuel efficient auto-  
18          mobile to the Secretary;

19          (3) prohibit a dealer from using the voucher to  
20          offset any other rebate or discount offered by that  
21          dealer or the manufacturer of the new fuel efficient  
22          automobile;

23          (4) require dealers to disclose to the person  
24          trading in an eligible trade in vehicle the best esti-  
25          mate of the scrappage value of such vehicle and to

1 permit the dealer to retain \$50 of any amounts paid  
2 to the dealer for scrappage of the automobile as pay-  
3 ment for any administrative costs to the dealer asso-  
4 ciated with participation in the Program;

5 (5) establish a process by which persons who  
6 qualify for a rebate under subsection (d)(3) may  
7 apply for such rebate;

8 (6) consistent with subsection (d)(2), establish  
9 requirements and procedures for the disposal of eli-  
10 gible trade-in vehicles and provide such information  
11 as may be necessary to entities engaged in such dis-  
12 posal to ensure that such vehicles are disposed of in  
13 accordance with such requirements and procedures,  
14 including—

15 (A) requirements for the removal and ap-  
16 propriate disposition of refrigerants, antifreeze,  
17 lead products, mercury switches, and such other  
18 toxic or hazardous vehicle components prior to  
19 the crushing or shredding of an eligible trade-  
20 in vehicle, in accordance with rules established  
21 by the Secretary in consultation with the Ad-  
22 ministrator of the Environmental Protection  
23 Agency, and in accordance with other applicable  
24 Federal or State requirements; and

1 (B) a mechanism for dealers to certify to  
2 the Secretary that eligible trade-in vehicles are  
3 disposed of, or transferred to an entity that will  
4 ensure that the vehicle is disposed of, in accord-  
5 ance with such requirements and procedures  
6 and to submit the vehicle identification numbers  
7 of the vehicles disposed of and the new fuel effi-  
8 cient automobile purchased with each voucher;

9 (7) consistent with subsection (d)(2), establish  
10 requirements and procedures for the disposal of eli-  
11 gible trade-in vehicles and provide such information  
12 as may be necessary to entities engaged in such dis-  
13 posal to ensure that such vehicles are disposed of in  
14 accordance with such requirements and procedures;  
15 and

16 (8) provide for the enforcement of the penalties  
17 described in subsection (f).

18 (f) ANTI-FRAUD PROVISIONS.—

19 (1) VIOLATION.—It shall be unlawful for any  
20 person to violate any provision under this section or  
21 any regulations issued pursuant to subsection (e).

22 (2) PENALTIES.—Any person who commits a  
23 violation described in paragraph (1) shall be liable to  
24 the United States Government for a civil penalty of  
25 not more than \$25,000 for each violation.

1 (g) INFORMATION TO CONSUMERS AND DEALERS.—

2 Not later than 30 days after the date of enactment of this  
3 section, and promptly upon the update of any relevant in-  
4 formation, the Secretary shall make available on an Inter-  
5 net website and through other means determined by the  
6 Secretary information about the Program, including—

7 (1) how to determine if a vehicle is an eligible  
8 trade-in vehicle;

9 (2) how to participate in the Program, includ-  
10 ing how to determine participating dealers;

11 (3) a comprehensive list, by make and model, of  
12 new fuel efficient automobiles meeting the require-  
13 ments of the Program.

14 Once such information is available, the Secretary shall  
15 conduct a public awareness campaign to inform consumers  
16 about the Program and where to obtain additional infor-  
17 mation.

18 (h) RECORDKEEPING AND REPORT.—

19 (1) DATABASE.—The Secretary shall maintain  
20 a database of the vehicle identification numbers of  
21 all new fuel efficient vehicles purchased or leased  
22 and all eligible trade-in vehicles disposed of under  
23 the Program.

24 (2) REPORT.—Not later than June 30, 2010,  
25 the Secretary shall submit a report to the Com-

1        mittee on Energy and Commerce of the House of  
2        Representatives and the Committee on Commerce of  
3        the Senate describing the efficacy of the Program,  
4        including—

5                (A) a description of program results, in-  
6                cluding—

7                        (i) the total number and amount of  
8                        vouchers issued for purchase or lease of  
9                        new fuel efficient automobiles by manufac-  
10                        turer (including aggregate information  
11                        concerning the make, model, model year)  
12                        and category of automobile;

13                        (ii) aggregate information regarding  
14                        the make, model, model year, and manu-  
15                        facturing location of vehicles traded in  
16                        under the Program; and

17                        (iii) the location of sale or lease;

18                (B) an estimate of the overall increase in  
19                fuel efficiency in terms of miles per gallon, total  
20                annual oil savings, and total annual greenhouse  
21                gas reductions, as a result of the Program; and

22                (C) an estimate of the overall economic  
23                and employment effects of the Program.

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7 (j) DEFINITIONS.—As used in this section—

8 (1) the term “passenger automobile” means a  
9 passenger automobile, as defined in section  
10 32901(a)(18) of title 49, United States Code, that  
11 has a combined fuel economy value of at least 22  
12 miles per gallon;

13 (2) the term “category 1 truck” means a non-  
14 passenger automobile, as defined in section  
15 32901(a)(17) of title 49, United States Code, that  
16 has a combined fuel economy value of at least 18  
17 miles per gallon, except that such term does not in-  
18 clude a category 2 truck;

19 (3) the term “category 2 truck” means a large  
20 van or a large pickup, as categorized by the Sec-  
21 retary using the method used by the Environmental  
22 Protection Agency and described in the report enti-  
23 tled “Light-Duty Automotive Technology and Fuel  
24 Economy Trends: 1975 through 2008”;

1           (4) the term “category 3 truck” means a work  
2 truck, as defined in section 32901(a)(19) of title 49,  
3 United States Code;

4           (5) the term “combined fuel economy value”  
5 means—

6           (A) with respect to a new fuel efficient  
7 automobile, the number, expressed in miles per  
8 gallon, centered below the words “Combined  
9 Fuel Economy” on the label required to be af-  
10 fixed or caused to be affixed on a new auto-  
11 mobile pursuant to subpart D of part 600 of  
12 title 40 Code of Federal Regulations;

13           (B) with respect to an eligible trade-in ve-  
14 hicle, the equivalent of the number described in  
15 subparagraph (A), and posted under the words  
16 “Estimated New EPA MPG” and above the  
17 word “Combined” for vehicles of model year  
18 1984 through 2007, or posted under the words  
19 “New EPA MPG” and above the word “Com-  
20 bined” for vehicles of model year 2008 or later  
21 on the fueleconomy.gov website of the Environ-  
22 mental Protection Agency for the make, model,  
23 and year of such vehicle; or

24           (C) with respect to an eligible trade-in ve-  
25 hicle manufactured between model years 1978

1 through 1984, the equivalent of the number de-  
2 scribed in subparagraph (A) as determined by  
3 the Secretary (and posted on the website of the  
4 National Highway Traffic Safety Administra-  
5 tion) using data maintained by the Environ-  
6 mental Protection Agency for the make, model,  
7 and year of such vehicle.

8 (6) the term “dealer” means a person licensed  
9 by a State who engages in the sale of new auto-  
10 mobiles to ultimate purchasers;

11 (7) the term “eligible trade-in vehicle” means  
12 an automobile or a work truck (as such terms are  
13 defined in section 32901(a) of title 49, United  
14 States Code) that, at the time it is presented for  
15 trade-in under this section—

16 (A) is in drivable condition; and

17 (B) has been continuously insured con-  
18 sistent with the applicable State law and reg-  
19 istered to the same owner for a period of not  
20 less than 1 year immediately prior to such  
21 trade-in; and

22 (C) has a combined fuel economy value of  
23 18 miles per gallon or less;



1           (8) the term “new fuel efficient automobile”  
2 means an automobile described in paragraph (1),  
3 (2), (3), or (4)—

4                   (A) the equitable or legal title of which has  
5 not been transferred to any person other than  
6 the ultimate purchaser;

7                   (B) that carries a manufacturer’s sug-  
8 gested retail price of \$45,000 or less;

9                   (C) that—

10                           (i) for new fuel efficient automobiles  
11 weighing up to 8,500 pounds, is certified  
12 to applicable standards under section  
13 86.1811-04 of title 40, Code of Federal  
14 Regulations; or

15                           (ii) for category 3 trucks, is certified  
16 to the applicable vehicle or engine stand-  
17 ards under section 86.1816-08, 86-007-11,  
18 or 86.008-10 of title 40, Code of Federal  
19 Regulations; and

20                   (D) that has the combined fuel economy  
21 value of—

22                           (i) 22 miles per gallon for a passenger  
23 automobile;

24                           (ii) 18 miles per gallon for a category  
25 1 truck; and

1 (iii) 15 miles per gallon for a category  
2 2 truck;

3 (9) the term "Program" means the Cash for  
4 Clunkers Temporary Vehicle Trade-in Program es-  
5 tablished by this section;

6 (10) the term "qualifying lease" means a lease  
7 of an automobile for a period of not less than 5  
8 years;

9 (11) the term "scrappage value" means the  
10 amount received by the dealer for a vehicle upon  
11 transferring title of such vehicle to the person re-  
12 sponsible for ensuring the dismantling and destroy-  
13 ing the vehicle;

14 (12) the term "Secretary" means the Secretary  
15 of Transportation acting through the National High-  
16 way Traffic Safety Administration;

17 (13) the term "ultimate purchaser" means,  
18 with respect to any new automobile, the first person  
19 who in good faith purchases such automobile for  
20 purposes other than resale; and

21 (14) the term "vehicle identification number"  
22 means the 17 character number used by the auto-  
23 mobile industry to identify individual automobiles.

1 (k) AUTHORIZATION OF APPROPRIATIONS.—There is  
2 authorized to be appropriated to the Secretary  
3 \$4,000,000,000 to carry out this section.

In the table of contents in section 1(b), insert after  
the item relating to section 127 the following new item:

Sec. 128. Temporary vehicle trade-in program.

