

Congress of the United States
Washington, DC 20515

August 5, 2009

Ronald L. Medford
Acting Deputy Administrator
National Highway Traffic Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Mr. Medford:

We write to express our deep concern over the delay in providing automobile dealers in the U.S. territories with authorization codes that would allow them to participate in the Car Allowance Rebate System, commonly known as the "Cash for Clunkers" program. We realize that the National Highway Traffic Safety Administration ("NHTSA") is being asked to process a significant number of registrations in a short period of time. Nonetheless, because of the importance of the authorization codes to the dealers located in the territories, we respectfully ask that you provide us with the status of these codes and that you expedite the registration process to ensure that dealers and consumers in the territories are able to benefit fully from this program.

As you know, under the Cash for Clunkers program, the NHTSA is providing vouchers in the amount of \$3,500 to \$4,500 to participating dealers to be applied toward the purchase or lease of a new fuel efficient vehicle. To be eligible for the voucher, the consumer must surrender a vehicle to a participating dealer that is less fuel efficient, by a specified number of miles per gallon, than the vehicle he or she is purchasing. Dealers and consumers in the territories are fully eligible to participate in the program.

We have been advised that the major vehicle manufacturers submitted the paperwork to register their dealers for the Cash for Clunkers program by early to mid July. Although these manufacturers recently received authorization codes for dealers located in the states, most manufacturers have not received codes for their dealers located in the territories. This delay has caused significant harm to dealers and consumers located in the territories. Most dealers that have not received an authorization code are not applying the \$3,500 to \$4,500 voucher available under the program to eligible vehicle sales because of uncertainty over whether they would be reimbursed by the federal government for the voucher. As a result, dealers are losing the

opportunity to complete sales under this program, and consumers are not able to benefit from discounted prices they would have received had the dealer been registered under the program.

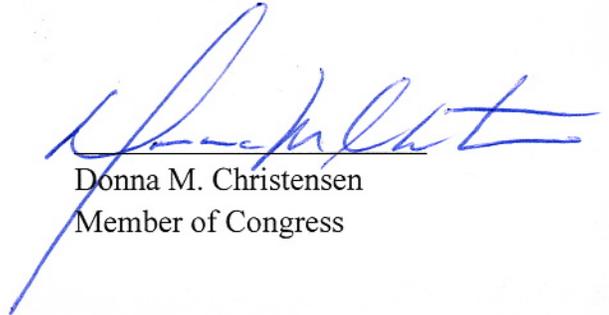
The harm caused by the delay in providing authorization codes is compounded by the speed by which the funds allocated for this program have been spent. As you know, the \$1 billion in funds initially appropriated for this program ran out in less than a week. Dealers are understandably concerned that any additional funds appropriated for the program may also run out before their codes are issued.

We look forward to your prompt response to this important issue.

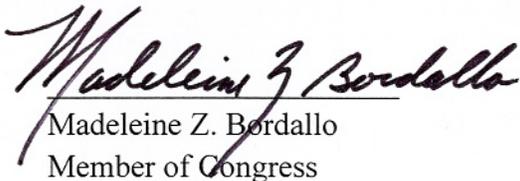
Sincerely,



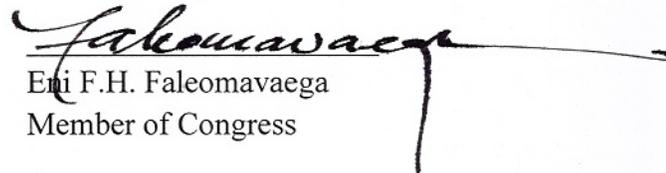
Pedro R. Pierluisi
Member of Congress



Donna M. Christensen
Member of Congress



Madeleine Z. Bordallo
Member of Congress



Eri F.H. Faleomavaega
Member of Congress