



T H E M I L I T A R Y C O A L I T I O N

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April 15, 2010

The Honorable Christopher J. Dodd
Chairman
Banking, Housing & Urban Affairs
United States Senate
Washington, DC 20510

The Honorable Richard C. Shelby
Ranking Member
Banking, Housing & Urban Affairs
United States Senate
Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

The Military Coalition, a consortium of nationally prominent military and veterans organizations, representing more than 5.5 million current and former service members and their families and survivors, would like to express our opposition to Senator Brownback's amendment to the Restoring American Financial Stability Act of 2010. Senator Brownback's amendment would exclude auto dealers and their lending practices from the financial reform bill.

The most significant financial obligation for the majority of service members is auto financing. Including the auto dealers financing and sales in the financial reform bill will provide greater protections for our service members and their families.

Providing a "carve-out" for auto dealers does just the opposite – it will allow unscrupulous dealers to continue to take advantage of service members and their families.

In a recent letter from the Under Secretary of Defense for Personnel and Readiness (USD P&R) to the Department of the Treasury's Assistant Secretary for Financial Institutions (attached), Dr. Clifford Stanley states that the Department of Defense would welcome protections provided to service members and their families with regard to unscrupulous automobile sales and financing practices.

Additionally, Dr. Stanley highlights the extent of the problem in a recent informal polling of installation attorneys and personal financial managers/counselors. Of the 659 counselors and attorneys who responded, 72% stated that they counseled service members in the past six months on one or more unscrupulous practices (e.g., "bait and switch" financing, falsification of loan documents, failure to pay-off liens, and "packing loans") when covering auto financing with their client.

Again, the Coalition wishes to reiterate our collective opposition to any "carve-out" of auto dealership financing from the financial reform bill and we thank you for your attention to this important issue impacting military members and their families.

Sincerely,

The Military Coalition
(signatures enclosed)

Attachment: USD P&R letter dated February 26, 2010

Air Force Association
Air Force Sergeants Association
Air Force Women Officers Associated
American Logistics Association
AMVETS (American Veterans)
Army Aviation Association of America
Association of Military Surgeons of the United States
Association of the United States Army
Association of the United States Navy
Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
Commissioned Officers Association of the U.S. Public Health Service, Inc.
Enlisted Association of the National Guard of the United States
Fleet Reserve Association
Gold Star Wives of America, Inc.
Iraq & Afghanistan Veterans of America
Jewish War Veterans of the United States of America
Marine Corps League
Military Chaplains Association of the United States of America
Military Officers Association of America
Military Order of the Purple Heart
National Guard Association of the United States
National Military Family Association
National Order of Battlefield Commissions
Naval Enlisted Reserve Association
Non Commissioned Officers Association
Reserve Enlisted Association of the United States
Society of Medical Consultants to the Armed Forces
The Retired Enlisted Association
United States Army Warrant Officers Association
United States Coast Guard Chief Petty Officers Association
Veterans of Foreign Wars of the United States