



2010 Candidate Questionnaire

Candidate Name: Rick Olson
Legislative District #: 55 Circle: House or Senate Incumbent? Yes No
Campaign Contact Person: Rick Olson
Campaign Committee Name: Rick Olson - The Voice for the People
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Saline MI 48176
Phone Number: 734-944-0794 Fax Number: 800-794-1346
Email and Web Site: olson48176@comcast.net / voiceforthepeople.net
Candidate Signature: Richard Olson Date: 6/8/10

Due in Our Office
By June 25, 2010

Auto Dealers of Michigan PAC
Attention: Kurt Berryman
318 West Ottawa Street
Lansing, MI 48933

FAX: (517) 492-2890

Email: autodealersofmi@acd.net or
kberryman@acd.net

Please note:

The Auto Dealers of Michigan does not "endorse" candidates.

Auto Dealers of Michigan PAC Background Information

The Auto Dealers of Michigan, LLC was created by bringing together the Detroit Auto Dealers Association (DADA) and the Michigan Automobile Dealers Association (MADA) to establish a unified voice at the State Capitol. The Auto Dealers of Michigan, LLC is the government relations and lobbying arm of these two outstanding member service organizations representing over 700 new vehicle franchise dealers throughout the State of Michigan.

Key Facts regarding Michigan's new vehicle franchised dealerships and the members of DADA and MADA:

Detroit Auto Dealers Association

- Founded in 1907
- Located in Troy, Michigan
- www.dada.org

Michigan Automobile Dealers Association

- Founded in 1921
- Located in East Lansing, Michigan
- www.michiganada.org
- Michigan Dealerships employ more than 40,000 people.
- Dealerships spend more than \$2 billion on payroll and \$140 million in employee benefits.
- Dealerships expend nearly \$4 billion as purchasers of goods and services.
- Dealerships generate more than \$2 billion in local, state and federal taxes.
- Dealers collect and remit over a quarter of Michigan's Sales tax, over \$1 billion.
- The North American International Auto Show (DADA) contributes millions of dollars to Michigan charities and foundations and contributes over \$500 million every year to Michigan's economy.
- Over 90% of Dealers participate in some local civic or charitable activity.

1) Do you personally know or have a relationship with an Automobile Dealer in your community? If yes, please provide the name of the Dealer and the nature of the relationship.

YES NO
Used to know the Adrian Dodge dealer, but I moved
away. Friend works for Randy Wase Chevrolet in Milan

2) Would you be willing to meet with local Automobile Dealers in your district on a regular basis to discuss issues and concerns?

YES

NO

3) Automobile dealers' relationships with manufacturers are governed by Michigan's Motor Vehicle Dealer Franchise Act. The Act, passed in 1981, protects new motor vehicle dealers from unfair practices, wrongful termination and threats of termination of a dealer franchise agreement by manufacturers and their distributors. The law has been amended numerous times to deal with new problems and technology that have evolved in a rapidly changing economy.

Q) Would you be willing to work with auto dealers to see that provisions of the act are fair and equitable during these changing economic times and strengthen provisions protecting auto dealers if necessary?

YES

NO

Q) Are you supportive of the concept of franchise law protections for new motor vehicle dealers, which balance the economic power between local dealers and large multi-national manufacturers?

YES

Especially to protect the investment in marketing and creating good will in the community the dealership has made.

NO

4) After the passage of the MBT and the repeal of the short lived "tax on services" the legislature passed into law a surcharge on the new MBT in order to cover the revenues lost by the repealed service tax. This surcharge levies a 20 percent plus additional tax on businesses on top of their MBT liability. The MBT surcharge has now been in place for several years and is burdensome on all Michigan based businesses.

Q) Would you support the repeal of the burdensome MBT surcharge?

YES

NO

Q) Would you support legislation which lowers, reduces or phases out the MBT surcharge rate immediately?

YES

NO

5) Insurance companies operating in Michigan are prohibited by law from "steering" or sending business to certain repair facilities. The prohibition against "steering" protects customers from being forced to a predetermined repair facility and gives them a real choice in having their vehicle repaired. In addition, at least one insurance company has started their own repair facility. While this practice is currently legal in Michigan, it raises conflict of interest issues by encouraging the repair facility to maximize profits through customer repair work for the parent insurance company.

Q) Would you support strengthening the penalties for insurance companies that continue to practice "steering" customers to certain repair facilities?

YES

NO

Q) Would you support prohibiting insurance companies from owning repair facilities?

YES

NO

I believe in maximizing competition. If higher costs are incurred by this practice, the insurance company will be less price competitive and suffer accordingly.

6) Every year legislation is introduced in the legislature that unduly burdens and over regulates auto dealers and other small businesses. One recent example is legislation which would put auto dealers and about 40 other businesses under Michigan's Consumer Protection Act after the Michigan Supreme Court ruled these businesses must be sued under the Michigan laws which regulated them. For auto dealers, those laws are the Michigan Vehicle Code and Motor Vehicle Finance Act. Allowing lawsuits under the Consumer Protection Act would allow frivolous lawsuits and class action lawsuits to be brought against auto dealers and other heavily regulated businesses.

Q) Would you oppose legislation that adds burdensome regulations to Michigan law?

YES

NO

Q) Would you oppose subjecting auto dealers and other businesses to lawsuits under the Consumer Protection Act when they are regulated by other specific Michigan laws?

YES

NO

7) Currently, Michigan applies a 6% sales tax to the full purchase price of a new vehicle, regardless of whether a used vehicle is traded-in on the purchase. A subsequent buyer of the used vehicle, which was traded-in, will again pay sales tax on the purchase price of the used vehicle. This clearly is an example of double taxation. Over the life of a vehicle, sales tax may be charged numerous times on its full retail value at the time of each sale.

For example, if an individual were to purchase a vehicle valued at \$18,000 and traded-in their used vehicle for \$8,000 they would pay \$1,080 in sales tax. The sales tax is applied to the full purchase price of the new vehicle even though part of the payment (\$8,000) was the trade-in value of the used vehicle on which sales tax has already been paid.

Exempting sales tax on the trade-in difference would provide consumers with a tax break on the value not consumed when a vehicle is traded-in. Consumers who trade-in these vehicles toward the purchase of a new vehicle would be taxed on the purchase price of the item minus the value of the trade-in. That is, if a consumer trades in a used car valued at \$8,000 for a new car valued at \$18,000, the consumer would be taxed on the \$10,000 difference between the new car and the trade-in value. This would allow the consumer to save \$480 ($.06 \times \$8,000$) and tax them only on the portion of the product they have consumed.

38 states, out of the 46 that tax vehicles, currently have sales tax on the difference - only one state other than Michigan has a sales tax of 5.5% or higher and does not have sales tax on the difference. Michigan has the dubious distinction of being one of two states with the highest vehicle sales tax rate. Under this system, consumers are taxed only on the portion of the product's value they consume.

Q) Would you support legislation that would apply the 6% sales tax only on the difference between the purchase price of a new vehicle and the value of the used vehicle?

YES

NO

Not sure. I like the concept and oppose tax increases but with projected budget deficits, don't want to promise something I may not be able to deliver.

Rick Olson – Ready to Serve as Your Voice for Jobs

Have they heard us yet?

Are you one of the many people frustrated with the bank bailouts, huge budget deficits and government takeovers in Washington AND the budget gridlock and lack of leadership in Lansing? Are you tired of the partisan political games?

I will give us a voice!

I know how to get things done.

We need experienced, knowledgeable people in the legislature to meet our serious and complex challenges. With term limits, we don't have the luxury of electing someone who is going to have to learn on the job. I have worked with a legislature. And, with a lifetime of financial, legal, both public and private business management and leadership experience,

I can hit the ground running.



(The way we were – 27 years ago)
Michigan Natives, met at Michigan State
Married, 39 years to Linda
Father to Brad and Kirk (ages 34 and 31)

We must improve the state's business climate to create jobs.

Innovation and entrepreneurship in small businesses will create jobs and grow our way out of the economic mess our state is in. Ranked 48th out of 50 is NOT acceptable!

Experienced and Knowledgeable

Michigan State University Graduate, 1970
Stanford Law School Graduate, 1978
Attorney, Washington State Legislature -1981-1983
Attorney, WA Governor's Office – 1983-84
Washington State Bar Association - 1978-97
Passed Michigan Bar Exam, 2009
Certified Financial Planner - 1984-1989
Private Business Manager – 15 Years
Public School Business Manager – 7 Years
Corn Grower Cooperative President
Agricultural Economist – 1970-1975



Rick
OLSON
for State Representative

Republican Candidate, 55th District

<http://voiceforthepeople.net>

<http://rickolson.blogspot.com>

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