Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Drake
Dreier
Duncan
Emerson
English (PA)
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Hill
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
King (IA)
King (NY)
Kingston
Kline (MN)
Lamborn
Latham
Latta
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCarthy (CA)
McCaul (TX)
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
Mica
Michaud
Miller (FL)
Mitchell
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Putnam
Radanovich
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Scalise
Schmidt
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Stearns
Sullivan
Terry
Thornberry
Tiahrt
Tiberi
Turner
Walden (OR)
Walsh (NY)
Wamp
Weller
Westmoreland
Whitfield (KY)
Wilson (NM)
Wilson (SC)
Wittman (VA)
Wolf
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Campbell (CA)

NOT VOTING—28

Costa
Cubin
Delahunt
Doolittle
Ellison
Emanuel
Everett
Gilchrest
Gutierrez
Hastings (FL)
Hooley
Jefferson
Johnson, E. B.
Keller
Kirk
Kuhl (NY)
Miller, Gary
Peterson (PA)
Pryce (OH)
Renzi
Rohrabacher
Saxton
Sensenbrenner
Snyder
Tancredo
Walberg
Watson
Weldon (FL)

□ 1812

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTO INDUSTRY FINANCING AND RESTRUCTURING ACT

Mr. FRANK of Massachusetts. Mr. Speaker, pursuant to House Resolution 1534, I call up the bill (H.R. 7321) to authorize financial assistance to eligible automobile manufacturers, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7321

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Auto Industry Financing and Restructuring Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) A combination of factors, including errors in the business model of domestic automobile manufacturers, and emergency economic circumstances, has prevented the domestic automobile industry from securing credit from other sources, and has led to the possibility of the failure of the domestic automobile industry, which failure would have a systemic adverse effect on the economy.

(2) Therefore, action in the form of financial aid to the domestic automobile industry is necessary to stabilize the economy.

(b) PURPOSES.—The purposes of this Act are—

(1) to immediately provide authority and facilities to restore liquidity and stability to the domestic automobile industry in the United States; and

(2) to ensure that such authority and such facilities are used in a manner that—

(A) results in a viable and competitive domestic automobile industry that minimizes adverse effects on the environment;

(B) enhances the ability and the capacity of the domestic automobile industry to pursue the timely and aggressive production of energy-efficient advanced technology vehicles;

(C) preserves and promotes the jobs of American workers employed directly by the domestic automobile industry and in related industries;

(D) safeguards the ability of the domestic automobile industry to provide retirement and health care benefits for the industry's retirees and their dependents; and

(E) stimulates manufacturing and sales of automobiles produced by automobile manufacturers in the United States.

SEC. 3. PRESIDENTIAL DESIGNATION.

(a) DESIGNATION.—The President shall designate 1 or more officers from the Executive Branch having appropriate expertise in such areas as economic stabilization, financial aid to commerce and industry, financial restructuring, energy efficiency, and environmental protection (who shall hereinafter in this Act be collectively referred to as the "President's designee") to carry out the purposes of this Act, including the facilitation of restructuring necessary to achieve the long-term financial viability of domestic automobile manufacturers, who shall serve at the pleasure of the President.

(b) ADDITIONAL PERSONS.—The President or the President's designee may also employ, appoint, or contract with additional persons having such expertise as the President or the President's designee believes will assist the Government in carrying out the purposes of this Act.

(c) PARTICIPATION BY OTHER AGENCY PERSONNEL.—Other Federal agencies may provide, at the request of the President's designee, staff on detail from such agencies for purposes of carrying out this Act.

SEC. 4. BRIDGE FINANCING.

(a) IN GENERAL.—The President's designee shall authorize and direct the disbursement of bridge loans or enter into commitments for lines of credit to each automobile manufacturer that submitted a plan to the Congress on December 2, 2008 (hereafter in this Act referred to as an "eligible automobile manufacturer"), and has submitted a request for such loan or commitment.

(b) AVAILABILITY OF FUNDS.—All funds that are available pursuant to section 10 to provide bridge financing or commitments for lines of credit to eligible automobile manufacturers, after taking into account the reservation of funds under section 10(a)(2), shall be used for the purposes described in section 10(a). No new funds shall be available to any eligible automobile manufacturer for the purposes of this section after the date on which the President's designee has approved restructuring plan under section 6 for such eligible automobile manufacturer.

(c) AMOUNT OF ASSISTANCE.—The President's designee shall authorize bridge loans or commitments for lines of credit to each eligible automobile manufacturer in an amount that is intended to facilitate the continued operations of the eligible automobile manufacturer and to prevent the failure of the eligible automobile manufacturer, consistent with the plan submitted on December 2, 2008, and subject to available funds.

(d) ALLOCATION.—The President's designee shall authorize the disbursements or commitments under this section in accordance with the allocation priorities set forth in subsections (a) and (b) of section 9.

SEC. 5. RESTRUCTURING PROGRESS ASSESSMENT.

(a) ESTABLISHMENT OF MEASURES FOR ASSESSING PROGRESS.—Not later than January 1, 2009, the President's designee shall determine appropriate measures for assessing the progress of each eligible automobile manufacturer toward transforming the plan submitted by such manufacturer to the Congress on December 2, 2008, into the restructuring plan to be submitted under section 6(b).

(b) EVALUATION OF PROGRESS ON BASIS OF RESTRUCTURING PROGRESS ASSESSMENT MEASURES.—

(1) IN GENERAL.—The President's designee shall evaluate the progress of each eligible automobile manufacturer toward the development of a restructuring plan, on the basis of the restructuring progress assessment measures established under this section for such manufacturer.

(2) TIMING.—Each evaluation required under paragraph (1) for any eligible automobile manufacturer shall be conducted at

the end of the 45-day period beginning on the date on which the restructuring progress assessment measures were established by the President's designee for such eligible automobile manufacturer.

SEC. 6. SUBMISSION OF PLANS.

(a) NEGOTIATED PLANS.—

(1) FACILITATION.—

(A) IN GENERAL.—Beginning on the date of the enactment of this Act, the President's designee shall seek to facilitate agreement on any restructuring plan to achieve and sustain the long-term viability, international competitiveness, and energy efficiency of an eligible automobile manufacturer, negotiated and agreed to by representatives of interested parties (in this Act referred to as a ''negotiated plan'') with respect to any eligible automobile manufacturer.

(B) INTERESTED PARTIES.—For purposes of this section, the term ''interested party'' shall be construed broadly so as to include all persons who have a direct financial interest in a particular automobile manufacturer, including—

(i) employees and retirees of the eligible automobile manufacturer;

(ii) trade unions;

(iii) creditors;

(iv) suppliers;

(v) automobile dealers; and

(vi) shareholders.

(2) ACTIONS OF THE PRESIDENT'S DESIGNEE.—

(A) IN GENERAL.—For the purpose of achieving a negotiated plan, the President's designee may convene, chair, and conduct formal and informal meetings, discussions, and consultations, as appropriate, with interested parties of an eligible automobile manufacturer.

(B) CLARIFICATION.—The Federal Advisory Committee Act shall not apply with respect to any of the activities conducted or taken by the President's designee pursuant to this Act.

(b) RESTRUCTURING PLAN.—Not later than March 31, 2009, each eligible automobile manufacturer shall submit to the President's designee a restructuring plan to achieve and sustain the long-term viability, international competitiveness, and energy efficiency of the eligible automobile manufacturer (in this Act referred to as the ''restructuring plan'') in accordance with this section. The President's designee shall approve the restructuring plan if the President's designee determines that the plan will result in—

(1) the repayment of all Government-provided financing, consistent with the terms specified in section 11, or otherwise agreed to;

(2) the ability—

(A) to comply with applicable fuel efficiency and emissions requirements;

(B) to commence domestic manufacturing of advanced technology vehicles, as described in section 136 of the Energy Independence and Security Act of 2007 (Public Law 110–140; 42 U.S.C. 17013); and

(C) to produce new and existing products and capacity, as described in section 14;

(3) the achievement of a positive net present value, using reasonable assumptions and taking into account all existing and projected future costs, including repayment of any financial assistance provided pursuant to this Act;

(4) efforts to rationalize costs, capitalization, and capacity with respect to the manufacturing workforce, suppliers, and dealerships of the eligible automobile manufacturer;

(5) proposals to restructure existing debt, including, where appropriate, the conversion of debt to equity, to improve the ability of the eligible automobile manufacturer to raise private capital; and

(6) a product mix and cost structure that is competitive in the United States marketplace.

(c) EXTENSION OF NEGOTIATIONS AND PLAN DEADLINE.—Notwithstanding the time limitations in subsection (b), the President's designee, upon making a determination that the interested parties are negotiating in good faith, are making significant progress, and that an additional period of time would likely facilitate agreement on a negotiated plan, and upon notification of the Congress, may extend for not longer than 30 additional days the negotiation period under subsection (b).

SEC. 7. FINANCING FOR RESTRUCTURING.

Upon approval by the President's designee of a restructuring plan, the President's designee may provide financial assistance to an eligible automobile manufacturer to implement the restructuring plan.

SEC. 8. DISAPPROVAL AND CALL OF LOAN.

If the President's designee has not approved the restructuring plan at the expiration of the period provided in section 6 for submission and approval of the restructuring plan, the President's designee shall call the loan or cancel the commitment within 30 days, unless a restructuring plan is approved within that period.

SEC. 9. ALLOCATION.

(a) PRIORITIZING ALLOCATION.—The President's designee shall prioritize allocation of the provision of financial assistance under this Act to any eligible automobile manufacturer, based on—

(1) the necessity of the financial assistance for the continued operation of the eligible automobile manufacturer;

(2) the potential impact of the failure of the eligible automobile manufacturer on the United States economy; and

(3) the ability to utilize the financial assistance optimally to satisfy the operational and long-term restructuring requirements of the eligible automobile manufacturer.

(b) ORDER OF PRIORITY; SECTION 4.—For purposes of allocating bridge loans or commitments pursuant to section 4, the President's designee shall prioritize the considerations set forth in subsection (a) in the following order: paragraph (1), paragraph (2), and paragraph (3).

(c) ORDER OF PRIORITY; SECTION 7.—For purposes of allocating financial assistance for restructuring pursuant to section 7, the President's designee shall prioritize the considerations set forth in subsection (a) in the following order: paragraph (3), paragraph (2), and paragraph (1).

SEC. 10. FUNDING.

(a) FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—Such sums are appropriated as are necessary for the purpose of providing funds to support up to $14,000,000,000 in loans under this Act. The Secretary of Energy shall make available to the President's designee $7,010,000,000 of funds made available under section 129 of division A of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, relating to funding for the manufacture of advanced technology vehicles, which shall reduce the appropriation under this paragraph.

(2) RESERVATION FOR CERTAIN PURPOSES.—The Secretary of Energy shall reserve $500,000,000 of the amounts made available under paragraph (1) for purposes of section 136 of the Energy Independence and Security Act of 2007 (Public Law 110-140; 42 U.S.C. 17013).

(3) CONTINUING APPLICATION PROCESS.—No provision of this section shall be construed as prohibiting or limiting the Secretary of Energy from processing applications for loans under section 136 of the Energy Independence and Security Act of 2007.

(b) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Energy, sums as may be necessary for the purpose of replenishing the funds made available to the President's designee under subsection (a)(1).

SEC. 11. TERMS AND CONDITIONS.

(a) DURATION.—The duration of any loan made under this Act shall be 7 years, or such longer period as the President's designee may determine with respect to such loan.

(b) RATE OF INTEREST; TIMING OF PAYMENTS.—

(1) RATE OF INTEREST.—The annual rate of interest for a loan under this Act shall be—

(A) 5 percent during the 5-year period beginning on the date on which the President's designee disburses the loan; and

(B) 9 percent after the end of the period described in subparagraph (A).

(2) TIMING OF PAYMENTS.—Payments of interest on loans under this Act shall be made semiannually.

(c) NO PREPAYMENT PENALTY.—A loan made under this Act shall be prepayable without penalty at any time.

(d) INFORMATION ACCESS.—As a condition for the receipt of any financial assistance made under this Act, an eligible automobile manufacturer shall agree—

(1) to allow the President's designee to examine any books, papers, records, or other data of the eligible automobile manufacturer, and those of any subsidiary, affiliate, or entity holding an ownership interest of 50 percent or more of such automobile manufacturer, that may be relevant to the financial assistance, including compliance with the terms of a loan or any conditions imposed under this Act; and

(2) to provide in a timely manner any information requested by the President's designee, including requiring any officer or employee of the eligible automobile manufacturer, any subsidiary, affiliate, or entity referred to in paragraph (1) with respect to such manufacturer, or any person having possession, custody, or care of the reports and records required under paragraph (1), to appear before the President's designee at a time and place requested and to provide such books, papers, records, or other data, as requested, as may be relevant or material.

(e) OVERSIGHT OF TRANSACTIONS AND FINANCIAL CONDITION.—

(1) DUTY TO INFORM.—During the period in which any loan extended under this Act remains outstanding, the eligible automobile manufacturer which received such loan shall promptly inform the President's designee of—

(A) any asset sale, investment, contract, commitment, or other transaction proposed to be entered into by such eligible automobile manufacturer that has a value in excess of $100,000,000; and

(B) any other material change in the financial condition of such eligible automobile manufacturer.

(2) AUTHORITY OF THE PRESIDENT'S DESIGNEE.—During the period in which any loan extended under this Act remains outstanding, the President's designee may—

(A) review any asset sale, investment, contract, commitment, or other transaction described in paragraph (1); and

(B) prohibit the eligible automobile manufacturer which received the loan from consummating any such proposed sale, investment, contract, commitment, or other transaction, if the President's designee determines that consummation of such transaction would be inconsistent with or detrimental to the long-term viability of the eligible automobile manufacturer.

(3) PROCEDURES.—The President's designee may establish procedures for conducting any review under this subsection.

(f) CONSEQUENCES FOR FAILURE TO COMPLY.—The terms of any financial assistance made under this Act shall provide that if—

(1) an evaluation by the President's designee under section 5(b) demonstrates that the eligible automobile manufacturer which received the financial assistance has failed to make adequate progress towards meeting the restructuring progress assessment measures established by the President's designee under section 5(a) with respect to such recipient;

(2) after March 31, 2009, the eligible automobile manufacturer which received the financial assistance fails to submit an acceptable restructuring plan under section 6(b), or fails to comply with any conditions or requirement applicable under this Act or applicable fuel efficiency and emissions requirements; or

(3) after a restructuring plan of an eligible automobile manufacturer has been approved by the President's designee, the auto manufacturer fails to make adequate progress in the implementation of the plan, as determined by the President's designee,

the repayment of any loan may be accelerated to such earlier date or dates as the President's designee may determine and any other financial assistance may be cancelled by the President's designee.

SEC. 12. TAXPAYER PROTECTION.

(a) WARRANTS.—

(1) IN GENERAL.—The President's designee may not provide any loan under this Act, unless the President's designee, or such department or agency as is designated for such purpose by the President, receives from the eligible automobile manufacturer—

(A) in the case of an eligible automobile manufacturer, the securities of which are traded on a national securities exchange, a warrant giving the right to the President's designee to receive nonvoting common stock or preferred stock in such eligible automobile manufacturer, or voting stock, with respect to which the President's designee agrees not to exercise voting power, as the President's designee determines appropriate; or

(B) in the case of an eligible automobile manufacturer other than one described in subparagraph (A), a warrant for common or preferred stock, or an instrument that is the economic equivalent of such a warrant in the holding company of the eligible automobile manufacturer, or any company that controls a majority stake in the eligible automobile manufacturer, as determined by the President's designee.

(2) AMOUNT.—

(A) IN GENERAL.—The warrants or instruments described in paragraph (1) shall have a value equal to 20 percent of the aggregate amount of all loans provided to the eligible automobile manufacturer under this Act. Such warrants or instruments shall entitle the Government to purchase—

(i) nonvoting common stock, up to a maximum amount of 20 percent of the issued and outstanding common stock of —

(I) the eligible automobile manufacturer; or

(II) in the case of an eligible automobile manufacturer, the securities of which are not traded on a national securities exchange, a holding company or company that controls a majority of the stock thereof (in this section referred to as the ''warrant common''); and

(ii) preferred stock having an aggregate liquidation preference equal to 20 percent of such aggregate loan amount, less the value of common stock available for purchase under the warrant common (in this section referred to as the ''warrant preferred'').

(B) COMMON STOCK WARRANT PRICE.—The exercise price on a warrant or instrument described in paragraph (1) shall be—

(i) the 15-day moving average, as of December 2, 2008, of the market price of the common stock of the eligible automobile manufacturer which received any loan under this Act; or

(ii) in the case of an eligible automobile manufacturer, the securities of which are not traded on a national securities exchange, the economic equivalent of the market price described in clause (i), as determined by the President's designee.

(C) TERMS OF PREFERRED STOCK WARRANT.—

(i) IN GENERAL.—The initial exercise price for the preferred stock warrant shall be $0.01 per share or such greater amount as the corporate charter may require as the par value per share of the warrant preferred. The Government shall have the right to immediately exercise the warrants.

(ii) REDEMPTION.—The warrant preferred may be redeemed at any time after exercise of the preferred stock warrant at 100 percent of its issue price, plus any accrued and unpaid dividends.

(iii) OTHER TERMS AND CONDITIONS.—Other terms and conditions of the warrant preferred shall be determined by the President's designee to protect the interests of taxpayers.

(3) APPLICATION OF OTHER PROVISIONS OF LAW.—Except as otherwise provided in this section, the requirements for the purchase of warrants under section 113(d)(2) of the Emergency Economic Stabilization Act of 2008 (division A of Public Law 110–343) shall apply to any warrant or instrument described in paragraph (1), including the antidilution protection provisions therein.

(b) EXECUTIVE COMPENSATION AND CORPORATE GOVERNANCE.—

(1) IN GENERAL.—During the period in which any financial assistance under this Act remains outstanding, the eligible automobile manufacturer which received such assistance shall be subject to—

(A) the standards established by the President's designee under paragraph (2); and

(B) the provisions of section 162(m)(5) of the Internal Revenue Code of 1986, as applicable.

(2) STANDARDS REQUIRED.—The President's designee shall require any eligible automobile manufacturer which received any financial assistance under this Act to meet appropriate standards for executive compensation and corporate governance.

(3) SPECIFIC REQUIREMENTS.—The standards established under paragraph (2) shall include—

(A) limits on compensation that exclude incentives for senior executive officers of an eligible automobile manufacturer which received assistance under this Act to take unnecessary and excessive risks that threaten the value of such manufacturer during the period that the loan is outstanding;

(B) a provision for the recovery by such automobile manufacturer of any bonus or incentive compensation paid to a senior executive officer based on statements of earnings, gains, or other criteria that are later found to be materially inaccurate;

(C) a prohibition on such automobile manufacturer making any golden parachute payment to a senior executive officer during the period that the loan is outstanding;

(D) a prohibition on such automobile manufacturer paying or accruing any bonus or incentive compensation during the period that the loan is outstanding to the 25 most highly-compensated employees; and

(E) a prohibition on any compensation plan that would encourage manipulation of such automobile manufacturer's reported earnings to enhance the compensation of any of its employees.

(4) DIVESTITURE.—During the period in which any financial assistance provided under this Act to any eligible automobile manufacturer is outstanding, the eligible automobile manufacturer may not own or lease any private passenger aircraft, or have any interest in such aircraft, except that such eligible automobile manufacturer shall not be treated as being in violation of this provision with respect to any aircraft or interest in any aircraft that was owned or held by the manufacturer immediately before receiving such assistance, as long as the recipient demonstrates to the satisfaction of the President's designee that all reasonable steps are being taken to sell or divest such aircraft or interest.

(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) SENIOR EXECUTIVE OFFICER.—The term ''senior executive officer'' means an individual who is 1 of the top 5 most highly paid executives of a public company, whose compensation is required to be disclosed pursuant to the Securities Exchange Act of 1934, and any regulations issued thereunder, and non-public company counterparts.

(B) GOLDEN PARACHUTE PAYMENT.—The term ''golden parachute payment'' means any payment to a senior executive officer for departure from a company for any reason, except for payments for services performed or benefits accrued.

(c) PROHIBITION ON PAYMENT OF DIVIDENDS.—Except with respect to obligations owed pursuant to law to any nonaffiliated party or any existing contract with any nonaffiliated party in effect as of December 2, 2008, no dividends or distributions of any kind, or the economic equivalent thereof (as determined by the President's designee), may be paid by any eligible automobile manufacturer which receives financial assistance under this Act, or any holding company or company that controls a majority stake in the eligible automobile manufacturer, while such financial assistance is outstanding.

(d) OTHER INTERESTS SUBORDINATED.—

(1) IN GENERAL.—In the case of an eligible automobile manufacturer which received a loan under this Act, to the extent permitted by the terms of any obligation, liability, or debt of the eligible automobile manufacturer in effect as of December 2, 2008, any other obligation of such eligible automobile manufacturer shall be subordinate to such loan, and such loan shall be senior and prior to all obligations, liabilities, and debts of the eligible automobile manufacturer, and such eligible automobile manufacturer shall provide to the Government, all available security and collateral against which the loans under this Act shall be secured.

(2) APPLICABILITY IN CERTAIN CASES.—In the case of an eligible automobile manufacturer referred to in paragraph (1), the securities of which are not traded on a national securities exchange, a loan under this Act to the eligible automobile manufacturer shall—

(A) be treated as a loan to any holding company of, or company that controls a majority stake in, the eligible automobile manufacturer; and

(B) be senior and prior to all obligations, liabilities, and debts of any such holding company or company that controls a majority stake in the eligible automobile manufacturer.

(e) ADDITIONAL TAXPAYER PROTECTIONS.—

(1) DISCHARGE.—A discharge under title 11, United States Code, shall not discharge an eligible automobile manufacturer, or any successor in interest thereto, from any debt for financial assistance received pursuant to this Act.

(2) EXEMPTION.—Any financial assistance provided to an eligible automobile manufacturer under this Act shall be exempt from the automatic stay established by section 362 of title 11, United States Code.

(3) INTERESTED PARTIES.—Notwithstanding any provision of title 11, United States Code, any interest in property or equity rights of the United States arising from financial assistance provided to an eligible automobile manufacturer under this Act shall remain unaffected by any plan of reorganization, except as the United States may agree to in writing.

SEC. 13. OVERSIGHT AND AUDITS.

(a) COMPTROLLER GENERAL OVERSIGHT.—

(1) SCOPE OF OVERSIGHT.—The Comptroller General of the United States shall conduct ongoing oversight of the activities and performance of the President's designee.

(2) CONDUCT AND ADMINISTRATION OF OVERSIGHT.—

(A) GAO PRESENCE.—The President's designee shall provide to the Comptroller General appropriate space and facilities for purposes of this subsection.

(B) ACCESS TO RECORDS.—To the extent otherwise consistent with law, the Comptroller General shall have access, upon request, to any information, data, schedules, books, accounts, financial records, reports, files, electronic communications, or other papers, things, or property belonging to or in use by the President's designee, at such reasonable time as the Comptroller General may request. The Comptroller General shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians. The Comptroller General may make and retain copies of such books, accounts, and other records as the Comptroller General deems appropriate.

(3) REPORTING.—The Comptroller General shall submit reports of findings under this section to Congress, regularly and not less frequently than once every 60 days. The Comptroller General may also submit special reports under this subsection, as warranted by the findings of its oversight activities.

(b) SPECIAL INSPECTOR GENERAL.—It shall be the duty of the Special Inspector General established under section 121 of Public Law 110-343 to conduct, supervise, and coordinate audits and investigations of the President's designee in addition to the duties of the Special Inspector General under such section and for such purposes. The Special Inspector General shall also have the duties, responsibilities, and authorities of inspectors general under the Inspector General Act of 1978, including section 6 of such Act. In the event that the Office of the Special Inspector General is terminated, the Inspector General of the Department of the Treasury shall assume the responsibilities of the Special Inspector General under this subsection.

(c) ACCESS TO RECORDS OF BORROWERS BY GAO.—Notwithstanding any other provision of law, during the period in which any financial assistance provided under this Act is outstanding, the Comptroller General of the United States shall have access, upon request, to any information, data, schedules, books, accounts, financial records, reports, files, electronic communications, or other papers, things, or property belonging to or in use by the eligible automobile manufacturer, and any subsidiary, affiliate, or entity holding an ownership interest of 50 percent or more of such eligible automobile manufacturer (collectively referred to in this section as ''related entities''), and to any officer, director, or other agent or representative of the eligible automobile manufacturer and its related entities, at such reasonable times as the Comptroller General may request. The Comptroller General may make and retain copies of such books, accounts, and other records as the Comptroller General deems appropriate.

SEC. 14. AUTOMOBILE MANUFACTURERS' STUDY ON POTENTIAL MANUFACTURING OF TRANSIT VEHICLES.

(a) IN GENERAL.—Each eligible automobile manufacturer which receives financial assistance under this Act shall conduct an analysis of potential uses of any excess production capacity (especially those of former sport utility vehicle producers) to make vehicles for sale to public transit agencies, including—

(1) the current and projected demand for bus and rail cars by American public transit agencies;

(2) the potential growth for both sales and supplies to such agencies in the short, medium, and long term;

(3) a description of existing ''Buy America'' provisions, and data provided by the Federal Transit Administration regarding the use or request of waivers from such provisions; and

(4) any recommendations as to whether such actions would result in a business line that makes sense for the automobile manufacturer.

(b) GAO REVIEW AND REPORT.—The Comptroller General of the United States shall review the analyses conducted under this section, and shall provide reports thereon to the Congress and the President's designee.

SEC. 15. REPORTING AND MONITORING.

(a) REPORTING ON CONSUMMATION OF LOANS.—The President's designee shall submit a report to the Congress on each bridge loan made under section 4 not later than 5 days after the date of the consummation of such loan.

(b) REPORTING ON RESTRUCTURING PROGRESS ASSESSMENT MEASURES.—The President's designee shall submit a report to the Congress on the restructuring progress assessment measures established for each manufacturer under section 5(a) not later than 10 days after establishing the restructuring progress assessment measures.

(c) REPORTING ON EVALUATIONS.—The President's designee shall submit a report to the Congress containing the detailed findings and conclusions of the President's designee in connection with the evaluation of an eligible automobile manufacturer under section 5(b).

(d) REPORTING ON CONSEQUENCES FOR FAILURE TO COMPLY.—The President's designee shall submit a report to the Congress on the exercise of a right under section 11(f) to accelerate indebtedness of an eligible automobile manufacturer under this Act or to cancel any other financial assistance provided to such eligible automobile manufacturer, and the facts and circumstances on which such exercise was based, before the end of the 10-day period beginning on the date of the exercise of the right.

(e) MONITORING.—The President's designee shall monitor the use of loan funds received by eligible automobile manufacturers under this Act, and shall report to Congress once every 90 days (beginning 30 days after the date of enactment of this Act) on the progress of the ability of the recipient of the loan to continue operations and proceed with restructuring processes that restore the financial viability of the recipient and promote environmental sustainability.

SEC. 16. REPORT TO CONGRESS ON LACK OF PROGRESS TOWARD ACHIEVING AN ACCEPTABLE NEGOTIATED PLAN.

(a) AUTHORITY TO FACILITATE A NEGOTIATED PLAN.—At any such time as the President's designee determines that action is necessary to avoid disruption to the economy or to achieve a negotiated plan, the President's designee shall submit to Congress a report outlining any additional powers and authorities necessary to facilitate the completion of a negotiated plan required under section 6.

(b) IMPEDIMENTS TO ACHIEVING NEGOTIATED PLANS.—If the President's designee determines, on the basis of an evaluation by the President's designee of the progress being made by an eligible automobile manufacturer toward meeting the restructuring progress assessment measures established under section 5, that adequate progress is not being made toward achieving a negotiated plan by March 31, 2009, the President's designee shall submit to Congress a report detailing the impediments to achievement of a negotiated plan by the eligible automobile manufacturer.

SEC. 17. SUBMISSION OF PLAN TO CONGRESS BY THE PRESIDENT'S DESIGNEE.

Upon submission of a report pursuant to section 16(b), the President's designee shall provide to Congress a plan that represents the judgement of the President's designee as to the steps necessary to achieve the long-term viability, international competitiveness, and energy efficiency of the eligible automobile manufacturer, consistent with the factors set forth in section 6(b), including through a negotiated plan, a plan to be implemented by legislation, or a reorganization pursuant to chapter 11 of title 11, United States Code.

SEC. 18. GUARANTEE OF LEASES OF QUALIFIED TRANSPORTATION PROPERTY.

(a) GUARANTEE.—Upon the request of a lessee of qualified transportation property, the President's designee shall serve as a guarantor with respect to all obligations of such lessee with respect to leases of such qualified transportation property. Such guarantee shall be on such terms and conditions as are determined by the President's designee, not later than 14 days after the date of enactment of this section.

(b) RECOUPMENT OF PAYMENT OF CLAIMS.—

(1) IN GENERAL.—Any claims under this section in excess of collateral held for the benefit of the President's designee shall be paid from the General Fund of the Treasury out of funds not otherwise appropriated.

(2) RECOUPMENT FEE.—Subsequent to any payment made under paragraph (1), the President's designee shall recoup amounts paid under paragraph (1) by establishing a fee that is sufficient to recoup the amount of the claim payment not later than 3 years after the date of such claim payment from any lessee or guarantor for whom the claim was paid or for whom a guarantee was issued.

(c) DEFINITIONS.—For purposes of this section—

(1) the term ''qualified transportation property'' means domestic property subject to a lease that was approved by the Federal Transit Administration prior to January 1, 2006; and

(2) the term ''guarantor'' includes, without limitation, any guarantor, surety, and payment undertaker.

SEC. 19. COORDINATION WITH OTHER LAWS.

(a) IN GENERAL.—No provision of this Act may be construed as altering, affecting, or superseding—

(1) the provisions of section 129 of division A of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, relating to funding for the manufacture of advanced technology vehicles;

(2) any existing authority to provide financial assistance or liquidity for purposes of the day-to-day operations in the ordinary course of business or research and development.

(b) LIMITATION.—Except to provide bridge financing or to implement a restructuring plan pursuant to this Act, no funds from the United States Treasury may be used for the purpose of assisting an eligible automobile manufacturer to achieve financial viability or otherwise to avoid bankruptcy.

(c) AUTHORIZATION OF FISCAL YEAR 2009 COST OF LIVING SALARY ADJUSTMENT FOR JUSTICES AND JUDGES.—Pursuant to section 140 of Public Law 97–92, justices and judges of the United States are authorized during fiscal year 2009 to receive a salary adjustment in accordance with section 461 of title 28, United States Code.

(d) ANTITRUST PROVISIONS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (4), the antitrust laws shall not apply to meetings, discussions, or consultations among an eligible automobile manufacturer and its interested parties for the purpose of achieving a negotiated plan pursuant to section (6)(a)(2).

(2) EXCLUSIONS.—Paragraph (1) shall not apply with respect to price-fixing, allocating a market between competitors, monopolizing (or attempting to monopolize) a market, or boycotting.

(3) ANTITRUST AGENCY PARTICIPATION.—The Attorney General of the United States and the Federal Trade Commission shall, to the extent practicable, receive reasonable advance notice of, and be permitted to participate in, each meeting, discussion, or consultation described in paragraph (1).

(4) PRESERVATION OF ENFORCEMENT AUTHORITY.—Paragraph (1) shall not be construed to preclude the Attorney General of the United States or the Federal Trade Commission from bringing an enforcement action under the antitrust laws for injunctive relief.

(5) SUNSET.—Paragraph (1) shall apply only with respect to meetings, discussions, or consultations that occur within the 3-year period beginning on the date of the enactment of this Act.

(6) DEFINITION.—For purposes of this subsection, the term ''antitrust laws''—

(A) has the same meaning as in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45), to the extent that such section 5 applies to unfair methods of competition; and

(B) includes any provision of State law that is similar to the laws referred to in subparagraph (A).

SEC. 20. TREATMENT OF RESTRUCTURING FOR PURPOSES OF APPLYING LIMITATIONS ON NET OPERATING LOSS CARRYFORWARDS AND CERTAIN BUILT-IN LOSSES.

Section 382 of the Internal Revenue Code of 1986 shall not apply in the case of an ownership change resulting from this Act or pursuant to a restructuring plan approved under this Act.

SEC. 21. EMERGENCY DESIGNATION.

Amounts provided by this Act are designated as an emergency requirement and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.

The SPEAKER pro tempore. Pursuant to House Resolution 1534, the bill is considered read.

After 1 hour of debate on the bill, it shall be in order to consider the amendment printed in House Report 110–922 if offered by the gentleman from Ohio (Mr. LATOURETTE) or his designee, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered read, and shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent.

The gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts.

GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, at the outset I ask that all Members have 5 legislative days within which to revise and extend their remarks on this bill and include extraneous remarks and material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we consider this bill in a context, a context framed by the report last Friday of a massive loss of jobs in the American economy. This economy is in the worst shape that it has been in since the Great Depression.

We are facing a double hit, a credit crisis brought on by a variety of factors, but resulting now in a serious lack of confidence on the part of investors and a deterioration in the physical parts of the economy, which have combined to cause a serious, deep recession.

That is relevant because there have been suggestions that we could afford to allow the three domestically owned auto companies to founder, that there are other sources of automobiles, that they could be required to declare bankruptcy, to, therefore, not pay suppliers, to cut back substantially on money owed dealers, to reduce by large amounts the workforce and the compensation of the workforce, to take one of the major factors of the American economy and substantially reduce its economic impact.

I think that would have been a mistake in any economic period, but to contemplate the severity of that blow to our economic activity at this time is to invite further deterioration of an economy that has already deteriorated beyond what people expected and beyond what the American people ought to have to tolerate.

The bill is a limited bill. It is the product of a compromise, the terms of which were largely dictated by the President of the United States. I am struck, Mr. Speaker, by the lack of confidence that has been expressed on the Republican side of this House, not in the auto industry, but in George Bush and the people he has and will appoint.

The amount of money here, $15 billion, is a loan. It is a loan far more likely to be repaid than many of the much larger amounts that the Bush administration and the Federal Reserve, working with them, have advanced to Citigroup and AIG and the number of other entities.

It is $15 billion because the President said no new money, not even money from the $700 billion troubled assets fund, the TARP. This Congress voted a month or two ago, 2 months ago, to advance $25 billion to the auto industry to promote innovation, which everyone agrees is necessary. It wasn't just to the Big Three, it was to any applicant who was going to use this money to try to innovate.

The President said, to our dismay, he would veto any legislation trying to keep the auto industry out of bankruptcy that used any funds other than that $25 billion that had already been voted for that purpose. The Speaker, to her credit, resisted what I think was a strong temptation to engage in a dispute with the President that would have killed any effort to get legislation and instead, perhaps to his surprise, she agreed with him and said we would live with that constraint.

So the amount of money that is here is both in amount and, in short, exactly what George Bush wanted. This is an amount of money that George Bush told us we could make available.

We have made it available in a form that makes it overwhelmingly likely that it will be repaid. It is a loan with the American Government in a super senior position in terms of repayment and where there were some potential problems with that because of clauses in other agreements, heavy collateral.

So this $15 billion is very likely to be returned if the program fails. That's the worst case.

We will have advanced $15 billion, we will get it back in 3 months because disaster cannot be averted, but we are not willing to say that disaster cannot be averted without trying.

What this bill then says is the President of the United States, George Bush, shall designate an administration official to preside over a process of hard negotiation with all of those who have a share in this industry, the companies, of course, the bondholders, the workers, the suppliers and the auto dealers, and make it clear to them that if they are not willing and able to come together and reduce costs and put in place a program that makes it possible to envision a future in which more efficient cars are made and sold with a great likelihood of success, then not only will there be no more money than the $15 billion, but the $15 billion will have to be repaid.

Well, apparently my Republican colleagues, again, do not think that the Bush administration has within its ranks anyone capable, with all the help that they have been given, of beginning that process. Some have said, no, make them go bankrupt.

There is nothing about bankruptcy that cannot be accomplished within the framework we have said except the ability to unilaterally say ''no'' to this or that class of people who are owed money. All of the powers that you could accomplish in reorganization in a bankruptcy are given here, and the enforcement power is that the money will be withdrawn if this is not done and the entities will collapse.

We have provisions in here that make it impossible, if the Bush administration and then the Obama administration coming after them, say so to have money that was, in part, provided by the American taxpayer, used to finance activity in other countries. That doesn't mean American investors should never be in other countries. It does mean that taxpayer dollars made available in these circumstances shouldn't go to other countries. Then the question is, then, well, why the haste? We are hastily reacting to very fast-moving events.

A month ago it did not appear that the car companies would be in such dire straits. Car companies all over the world have been hurt by the credit crisis. Automobiles are paid for by credit. As credit has tightened up substantially, and as people have lost their jobs, there has been a greater than anticipated fall off in auto sales. Of course, the auto companies have made mistakes in the past, a lot of people in the industry have, including consumers.

But we find that the rapid deterioration in the general economy, it hasn't caused the problem for the automakers, but it has exacerbated them and greatly shortened our time horizon.

This bill is intended to keep them from going bankrupt between now and March 31. It does it in a way that will allow us to recapture the money if that effort fails. It does express the belief that, done properly, in conjunction with other things, things that could unstick the credit market, funds that we hope will be made available under the troubled assets program to auto dealers, who have a very real claim here, and we will be pushing for a program that will include them and funding be made available. Several Members of this House have spoken out strongly in favor of doing that.

We believe it is possible, and likely, that as the economy gets better, and as they continue the movements they have already made towards cars that are likely to sell and be more energy efficient, that we can survive this.

There are some Members who have consistently opposed any intervention, but this administration sent over $100 billion to AIG. Citigroup has been the recipient of very large amounts of money. I do not understand how people can have not made any effort to undo the administration's intervention with AIG, well over $100 billion, and then try and stop about one-seventh of that sum as a loan to the auto companies.

Yes, credit and finance are important, but the physical work done by working class and middle-class Americans in auto companies, in car dealerships, in the small businesses that are other suppliers, cumulatively, are just as important. To give up now on the auto industry would be to condemn the American economy at one of its most vulnerable periods in our economic history to a degree of further hurt, and the American people deserve better.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, December 10, 2008.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR CHAIRMAN FRANK: This is to memorialize the provisions in H.R. 7321, the ''Auto Industry Financing and Restructuring Act,'' that fall within the rule X jurisdiction of the Committee on the Judiciary. In particular, there are several provisions in section 12(d) and (e) that alter the normal operation of the bankruptcy laws; section 19(c) provides the annual cost-of-living salary adjustment for the federal judiciary: and section 19(d) precludes private antitrust suits regarding certain consultations between a covered automaker and its employees, dealers, suppliers, and creditors.

In agreeing to be discharged from further consideration of the bill, in order that it may proceed without delay to the House floor for consideration, the Judiciary Committee does not waive any jurisdiction over subject matter contained in this or similar legislation. We also reserve the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this important legislation, and would ask your support if such a request is made.

I would appreciate your including this letter in the Congressional Record during consideration of the bill on the House floor. Thank you for your attention to this request, and for the cooperative relationship between our two committees.

Sincerely,

JOHN CONYERS, Jr.,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are here today because we all recognize the importance of our domestic automobile industry. We understand that the bankruptcy of either GM or Chrysler would have a cascading effect on the other manufacturers. We understand that the suppliers, the auto part manufacturers could fail. We also understand that dealerships are at risk, millions of jobs, families in jeopardy.

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And even though we all want the industry to succeed, I cannot support this plan because this plan is a plan to spend taxpayer money without any real promise or ability to return the industry to profitability. In my view, any aid for the automobile industry should be limited to transitional assistance as a part of a fundamental restructuring plan and should fully protect the taxpayer, and this legislation does not meet that standard.

Some of the worst bills to come out of Congress are when we rush to judgment, and I fear that is exactly what we are doing here. Members have only had one or two hours to examine the text of this legislation. It was a measure which was the product of a closed-door negotiation between the Democratic Congress and the administration. It occurred outside the normal legislative process and the watchful eyes of the American people.

I see several glaring omissions or flaws in my cursory examination. We are creating a new car czar to manage these three companies from Washington; not a CEO, but a car czar.

Second, and this probably is the most troubling, this legislation actually imposes new and expensive mandates on our automobile companies. If they are in such bad shape that they need billions of dollars of taxpayer help, and we acknowledge that they are in bad shape, why are we imposing new, expensive mandates? This legislation, for instance, mandates that the companies comply with State laws that imposed inefficient and potentially excessive emissions standards instead of the more reasonable Federal laws. That cries in the face of logic under the circumstances.

Third, this legislation imposes Federal Government management on the Big Three, the wisdom of Washington. It is clear that the management of these companies have made mistakes, many mistakes, but a solution to that to set up a command and control in Washington D.C. with a Federal bureaucrat attempting to run the domestic automobile industry is exactly the wrong solution.

Mr. Speaker, this is a bad process and it is a bad bill and one I fear, as we have so often done with these bailouts, we will come to regret. I urge a no vote.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 30 seconds to note that I am surprised to hear my friend argue that the bankruptcy courts have more automotive expertise and engineering and finance and industrial policy expertise than is present in the whole Bush administration. I think he is too pessimistic about that and too much supportive of the bankruptcy process.

Second, I would also just recall the very thoughtful remark of our colleague from Texas, Ms. JACKSON-LEE, who noted that those who thought bankruptcy was a disaster for mortgages appear to see it as a panacea for automobiles. Many of us fail to see how that transformation took place.

I yield 2 minutes to the gentlewoman from Detroit (Ms. KILPATRICK).

(Ms. KILPATRICK asked and was given permission to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, I first want to thank Chairman BARNEY FRANK and his entire Financial Services team and committee for the outstanding work they have done with this very difficult situation for the last month or so. Thank you, BARNEY, and for the full committee. The Michigan delegation in a bipartisan way worked feverishly to make this happen. Thank you very much.

America is at a crossroads, a crossroads on whether America will be a first-rate country as we move through this century. Seventy years ago, my grandfather, as well as hundreds of others, came to this part of the country from South Carolina to the midwest, to the manufacturing base of America, the base that built the middle-class in this country. Without the manufacturing, there would be no middle-class in America. Do we want to forsake that today? I hope not.

The American automobile industry is the military equipment builders of our country, from World War II and every war thereafter, building the tanks, the ammunition, the body armor and the like. It will be a mistake for us if we don't preserve this industry.

Three million-plus direct jobs with another 10 million from insurance, health care, security. You name it, those are 13.6 million Americans affected by this automobile industry. We must preserve it.

The middle class is dwindling as we speak. With all the problems America has, this is not the time to kill, if you will, the only manufacturing base we have left in our country. We already yielded the electronics industry. We yielded the fabric and the garment industry. Manufacturing is one of the tools that can keep our country alive. I hope you will vote today and save this most vital industry.

I mentioned my grandfather. I am the next generation after that. Because of the manufacturing industry, the automobile industry specifically, we have been able to send generations of young people who are now 40, 50, 60 years old to college, the manufacturing industry.

Vote for this bill. Don't do it wrong. Let's do it right.

Giving thanks to God, who is the power, force and director of my life, I thank the Democratic Leadership and my colleagues in the Michigan delegation for their continued hard work, objective analysis and hard questions for both automobile manufacturers and taxpayers. As an enthusiastic supporter of the automotive industry, I, along with the unanimous agreement of the Michigan delegation, seek a balanced, fair solution for American taxpayers, manufacturers, dealers, and suppliers to the automobile industry. A large part of that solution is this bill, crafted by Chairman FRANK and Members of the House Financial Services Committee on which I once served. This bill will provide $15 billion in bridge loans to help struggling automakers survive while they prepare plans to restructure their companies to build more competitive, fuel-efficient, and technologically-advanced vehicles. This assistance will not only help manufacturers, but it will help the workers, the dealers, the suppliers and the 13 million jobs that are directly and indirectly affected by the largest industry in our Nation—the automobile industry.

In addition, this bill, which would amend current law, demands taxpayer protections such as limits to executive compensation, including a ban on so-called "golden parachute" payments, a prohibition on dividend payments over the life of the loans, rigorous independent oversight, and provisions for the government taking warrants and allowing the taxpayer to profit in any upside of the restructuring. This is a fair balance for both the manufacturers and American taxpayers. If the Big Three were to collapse, there would be a loss of personal income of close to $400 billion, with a combined loss of tax receipts of $156 billion, over 3 years, according to the Center for Automotive Research. With the interdependence of Mexico, Canada and the United States because of the North American Free Trade Agreement (NAFTA), this vastly underestimates the ultimate impact if the Big Three were to go bankrupt.

With the recent loss of more than half a million jobs in one month, in our Nation, Federal assistance to the automotive industry is needed immediately for our economic, military, and energy security and safety. A government-supported restructuring of the auto industry is urgently needed for our economic, military and energy security. General Wesley Clark recently wrote that "some economists question the wisdom of Washington's intervening to help the Big Three, arguing that the automakers should pay the price for their own mistakes or that the market will correct itself. But we must act: aiding the American automobile industry is not only an economic imperative, but also a national security imperative."

This is an opportunity for Congress to do four things. One, it is an opportunity to get our country to energy security or energy independence. Two, it is a chance to ensure that, unlike our textile and electronics industry, to preserve and protect our manufacturing base, the last industry in which America still holds a slight but precarious lead. Three, it can be a way in which we get the manufacturers toward building the vehicles that Congress mandated that they build. Four, we can preserve the jobs and businesses of dealers and suppliers. In all of the discussions of saving the manufacturers, there has been little, if any, discussion to save the thousands of automobile dealers and suppliers to the automotive industry.

Congress has been advocating that our country become either energy independent or have energy security. Indeed, President Richard Nixon challenged that our Nation become independent on foreign oil in the early 1970s. Although the automotive industry is in a crisis, this is truly an opportunity to start a major reorganization and reprogramming of the entire automotive industry. In less than 2 years, General Motors will produce the first practical all-electric motor vehicle. This is a welcome opportunity, and is a development that all Americans should embrace. By being the first to produce a battery that can get hundreds of miles per charge, the United States can be the first in this manufacturing technology. This will create thousands of green jobs, clean up the air, and make us less dependent on foreign sources of fuel. This achievement is right around the corner, as GM is set to bring the Chevy Volt to market in less than 2 years. In less than 10 years, these batteries and fuel cells can be, and should be, built in the United States.

Second, we need to preserve the automotive industry as it is the base of manufacturing in the United States. Second only to the strong faith that Americans have in one another is the strength of our economy. Our modern economy was built by companies like General Motors, Ford, and Chrysler. These are the companies that essentially built this country to victory in World War II and every military conflict we have had ever since. These companies not only built the tanks, the Jeeps, the trucks that support the women and men in our military, they often created the technologies that allow us to have navigational systems in our cars, brakes that last for thousands of miles, and protect our bodies in accidents. We cannot afford to lose this innovative intellectual property.

The auto industry has come to the rescue, once again, for our women and men in the military. The Humvee, the Stryker, and the mine-resistant ambush vehicles, and the like are built primarily in Michigan but entirely in the United States. As General Wesley Clark said, "the lives of hundreds of soldiers and marines have been saved, and their tasks made more achievable, by the efforts of the American automotive industry. And unlike in World War II, America didn't have to divert much civilian capacity to meet these military needs. Without a vigorous automotive sector, those needs could not have been quickly met." Our economy and our troops cannot survive the loss of the automotive industry.

Third, the manufacturers know what is at stake today. It is not only their individual survival, but whether our country suffers a recession or a depression. We cannot afford, at this perilous time in our economy, the shut down of any company. Any form of bankruptcy would tear what little confidence consumers have in the auto industry to shreds by decimating consumer demand and forcing thousands of suppliers who need the cash flow from the auto manufacturers into immediate default. This legislation would allow time and cash for the manufacturers to make the necessary and needed change in their vehicles, again mandated by Congress, for the long-term energy self-sufficiency and environmental protection we seek. This legislation does just that.

One in every 10 jobs in the United States is somehow linked to the automotive industry. After the purchase of a home, the purchase of an automobile is the largest purchase for the overwhelming majority of America's consumers. Michigan, specifically my home city of Detroit, has been the home of the automotive industry for decades. More than 13 million jobs are directly or indirectly rely on the automotive industry. The losses of the automotive industry have been massive. In 2005, General Motors, which is headquartered in my Congressional District, lost more than $5.6 billion on its North America operations alone, with Ford losing $5.5 billion during the same period of time. GM's share of the market, which used to be 36 percent in 1990, had shrunk to 26 percent in 2005. Ford's 1990 share of the market, which was 24 percent, was 17 percent 2 years ago. Production for Ford and GM has dropped 26 percent since 1999.

In the wake of these losses, Michigan and our country have lost a significant number of jobs. Both GM and Ford announced a series of plant closings in North America, with an estimated loss of 60,000 jobs through layoffs and early retirement buy-outs. According to the Bureau of Labor Statistics, in 2005 the automotive industry lost a total of 215,000 jobs, and stated that "industry employment is headed downward and is not likely to recover for several years." This situation does not get any better for those related industries supplying automobile parts, providing insurance for automobiles, or selling vehicles wholesale or retail.

While domestic manufacturers are not entirely blameless for these losses, a significant factor has been the way in which China has done business with the Big Three. One of the U.S./China Commission's conclusions, to which I testified 2 years ago, was "the many subsidies provided by the Chinese government to the auto industry will quickly distort the nature of the market. This will be true especially in the United States, where markets are most open. The Chinese challenge to the U.S. auto industry is a significant assault on American manufacturing, and that assault is increasing in magnitude and in pace." Are we willing to concede to other countries, perhaps China, our manufacturing base?

Finally, I am worried about the health of automobile dealers and suppliers, specifically ethnic minority automobile dealers and suppliers. It is my understanding from experts in the field that up to 75 percent of ethnic minority new car dealers, if they do not receive financial assistance within 60 days, will fail. In a meeting two weeks ago with the Speaker and the House Democratic leadership, the manufacturers estimated that more than 700 dealers are expected to close their doors before the end of the year. In all of this discussion about helping the manufacturers, it is only fair that some of this help go directly to the ethnic minority dealers and suppliers who are the backbone of their communities and of the automotive industry. Ethnic dealers and suppliers are first generation dealers and suppliers and simply do not have the economy of scale of their majority counterparts. As we move forward with this legislation, it is my hope that we provide immediate assistance to those who most need it—ethnic minority automobile dealers and suppliers.

We face tough times. The automotive industry can succeed, with the help of Congress, once again. The automotive industry has made mistakes, and all of the manufacturers present will tell you that I have worked with them to improve their product, outreach, and business model. Here, in Washington, DC, it is often hard for legislators to truly appreciate how difficult life is for the rest of America. In Michigan, we face record foreclosures, unemployment and job loss from manufacturing. We must save the automobile industry for the future of not only the industry but for the state of Michigan and our country. We must not repeat the mistakes we made in giving away our textile and electronics industry to other countries. We must do all we can to retain this vital segment of America.

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas (Mr. HENSARLING) control my time and that he be able to yield time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BACHUS. At this time I recognize the gentleman from Texas (Mr. PAUL) for 2 minutes.

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I rise in opposition to this bill. It doesn't make a whole lot of sense. But I am concerned that we are narrowed down on a problem of the car industry, which is a significant problem, but we are dealing with $15 billion here. But if you look at the grand problem we have, it is much, much bigger, and it seems like we don't pay much attention to it.

The problems that we are facing today and the problems that we have been trying to solve in these last 6 months were predictable. It had been building for a good many years. We can date it back to 1971. We have had a financial bubble building, so there were many who predicted that the climax would be exactly as we are witnessing.

But we don't seem to want to go back and find out how financial bubbles form and why they burst. Instead, we just carry on doing the same old thing and never look back. We spend more money, we run up more debt, we print more money, and we think that is going to solve the problem that was created by spending too much money, running up debt, printing too much money. And here we are today, we are talking about tinkering on the edges without dealing with the big problem.

The Federal Reserve has literally created over $2 trillion here in the last several months, at least in obligations, and that is outside the realm of the Congress. We don't even audit the Federal Reserve. They create this money, and when the Fed Chairman comes before our committee and we ask, well, where did you dispose of this $2 trillion that you have created recently, he says well, it is not your business. That is not necessary. Under the law, he doesn't even have to tell us.

So this is how out of control our problem is. Sure, there is a lot of debt in the economy, and once a government or a corporation gets an excessive amount of debt, it is never paid for. So, yes, we can transfer the debt to others.

We are dealing with only finding victims. We cannot get rid of the debt, whether it is our national debt or whether it is corporate debt, but we have to put it on somebody else. We need to look at the cause of these bubbles, and it has to do with monetary policy and the Federal Reserve system.

Mr. Speaker, no one can deny that Congress bears much culpability for the current condition of the United States auto industry, and therefore Congress should act to help that industry. We should be repealing costly regulations we have imposed on domestic auto manufactures. Congress should also be considering legislation like H.R. 7273 and H.R. 7278, which reduces taxes on American consumers to make it easier for them to purchase American automobiles.

Unfortunately, instead of repealing regulations and cutting taxes, Congress is nationalizing the automakers by giving them access to $14 billion of taxpayer funds in return for giving the federal government control over the management of these firms. Mr. Speaker, the federal government has neither the competence nor the constitutional authority to tell private companies, such as automakers, how to run their businesses. Yet, the bailout proposal forces automobile manufacturers to submit their business plans for the approval of a federal "car czar." This czar will not only have the authority to approve the automakers' restructuring plan, but will also monitor implementation of the plans. The czar will also be able to stop transactions that are "inconsistent with the companies' long-term viability." Of course, the czar has the sole authority to determine what transactions are "inconsistent with the companies' long-term viability."

I would have thought that failed experiments with central planning and government control of business that wrought so much harm in the last century would have taught my colleagues the folly of making businesses obey politicians and bureaucrats instead of heeding the wishes of consumers, employees, and stockholders.

The alternative proposal is less costly to the taxpayer; therefore I will vote for it if offered as a motion to recommit. However, I am troubled that the proposal endorses the notion that the federal government should play both a financial and managerial role in restoring the American automobile industry. Mr. Speaker, it is a shame that we are not given a chance to vote for a true free-market approach; instead we are asked to choose between two types of government interference with the market.

Providing this $14 billion in loan guarantees will contribute to the already fragile economy by increasing the federal debt and thus creating either increased inflation or increased taxes. Mr. Speaker, I ask my colleagues to consider how many businesses will not be started, jobs will not be created, and consumer desires will remain unfulfilled because the resources to start those business and create those jobs were taken from the private sector for the auto bailout. I urge my colleagues to reject this unconstitutional bill that will further the growth of government and damage the American economy. Instead, Congress should help the American auto industry, and all American business, by cutting taxes and regulations.

Mr. FRANK of Massachusetts. Mr. Speaker, I now yield 3 minutes to the dean of the House and a great expert over time on the auto industry, the gentleman from Michigan (Mr. DINGELL).

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, this is a bridge loan. Without this bridge, we are going to fall into the deepest calamity this country has seen since the Great Depression. I call on you to note that one in seven jobs in this country is in the auto industry. Put these companies into bankruptcy and you will bankrupt the entire industry, from the dealers to the suppliers to the small businessmen who depend upon this. That is how bad the situation is. All we ask is a chance to save the industry and to save the millions of Americans who work there and who contribute to the growth of this country.

I saw the Depression. I know what happened: people standing on the corners without hope, somewhere around 33 percent of Americans without jobs. That is where we are going back to if we don't do something about this, and I don't want to hear any of my colleagues say, DINGELL, we didn't know what was going to happen. All we thought was if we put them into bankruptcy, everything would be fine.

Well, it won't. Bankruptcy will simply take down every dealer, every supplier and everybody who is in the auto industry, including the three major companies, and it will destroy the industrial base of the United States, what little remains.

I am here to tell you, this is too big a disaster for us to invite. Imagine a nation with double digit unemployment. That is what we are going to be talking about. And I ask you, how can you turn over $1.2 billion to the Wall Streeters who brought about this calamity when you do nothing?

Invest in America. Support this legislation, which has been brilliantly handled by the chairman of committee, to whom I express my praise and my gratitude for his leadership, and I thank our Speaker for what it is she has done in making this possible.

This bill is salvation. Vote against it and look forward to a terrible calamity. Vote for it and give hope to millions of Americans who desperately need it and who are now existing on the edge of both terror, want, deprivation and worry of the most gross sort.

If you want to see other industries collapse, if you want to see what is left of the housing industry die, if you want to see other industries in this country suffer and hurt, vote against this bill. That is what has happened.

I urge my colleagues, vote for this bill. It is hope. It is salvation for this country. It is the future of this country. Yes, it is going to cost more and we are going to have to do it. But, again, I remind you, invest in America. Invest in the future of your people. Invest in the future and the hopes and the dreams and the desires of Americans.

Without that, all I can say to you is a terrible disaster looms. Let us at all costs prevent that. Let us at all costs see to it that we protect the future, the hopes, the dreams of millions of hard-working Americans, without whom there is no hope for this country.

Mr. Speaker, we are in the midst of the worst financial crisis since the Great Depression. What is at stake today is nothing less than the livelihoods of millions of American workers. They are counting on us today to pass legislation that will give the domestic automakers the loans they need to survive this financial crisis. If we fail to act we will plunge this nation further into recession, add hundreds of thousands to the employment rolls in a matter of weeks, and deliver a crippling blow to the manufacturing sector from which it may never recover. As it stated on the cover of a special edition of the Detroit Free Press that was delivered to every Member's office, now is the time for us to "Invest in America."

The legislation we are voting on has been described as offering a "bridge loan" to the domestic automakers. It is important to recognize where this bridge will lead us, and the consequences that will befall our nation if we fail to act. General Motors, Ford, and Chrysler have made significant investments into new vehicle technologies, such as plug-in hybrids and electric vehicles. If we allow the automakers to continue to operate, and use the oversight authority provided for in this bill to guide them quickly towards the production of more fuel efficient vehicles, we can create the next generation of green manufacturing jobs here in this country. If the Big 3 fail we will have ceded these jobs to our competitors in China, South Korea, and Japan. These loans offer not just a bridge to solvency for the Big 3, but a bridge to a more vibrant and productive economy for all of us.

Protecting the economy was supposed to be the reason we acted to rescue Wall Street and save failing financial institutions. According to statistics released by the Board of Governors of the Federal Reserve System, more than $650 billion has been lent to financial institutions since the beginning of this financial crisis, and an additional $350 billion has been used to purchase private assets. This is in addition to the more than $200 billion in TARP funds that the Treasury Department has used to shore up financial institutions. It is unconscionable that approximately $1.2 trillion has now been sent to Wall Street, but there are those who would object to spending $15 billion to save 3 million blue collar jobs.

Before you cast your vote today, I would urge all of you to consider what this country would look like without a domestic automobile industry. Ask yourselves how many automobile dealerships or parts suppliers operate in your District, and how many of them will be forced to follow the Big 3 into bankruptcy. Imagine what a nation with double digit employment rates will look like, and what burden that will place on the states and on Federal Government. Ask yourselves why every other industrialized country is taking steps to provide support for their own automakers, and why they seem to place a higher value on good paying middle class jobs than we do. I urge my colleagues to consider these questions, and to support the legislation before us today.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to a dear friend, a great protector of our Constitution, one of the great champions of the taxpayer, the gentleman from Florida, (Mr. FEENEY).

Mr. FEENEY. Mr. Speaker, I thank my dear friend from Texas for yielding. It is an enormous challenge to follow a distinguished gentleman, the dean of the House from Michigan, who comes and asks us to invest in America. Indeed, all of us feel passionately about the investors and, more importantly, the workers, not just in Michigan, but around the country, that are currently dependent on the automobile industry in America.

But, as the gentleman from Michigan pleaded we ought to invest in America, the truth of the matter is the reason we are here tonight is that nobody in their right mind is willing to invest their own money in a failed and antiquated model. So they are asking Congress to confiscate money from taxpayers to make an investment.

That is what this is about. It is a short-term bailout so we can get until March so that much, much more money will be spent bailing out these failed and antiquated industries.

There are people in Florida hurting, not just in the automobile industry. We have got automobile dealers and salespeople and parts manufacturers. Our real estate industry is devastated, our time share industry, our theme park industry, our hotels and motels and restaurants.

But the truth of the matter is, micromanaging a business from Washington is the supreme act of hubris. It will never work. No matter how much the administration, no matter how much the Congress wants to do the right thing, they will hurt us.

110 years ago, the United States Congress probably felt bad for people that manufactured buggy whips and horse carriages. We could have bailed them out. We could have created a buggy whip and horse carriage czar. It would not have helped America move towards prosperity and freedom. And, unfortunately, this is a terrible idea that will punish taxpayers and just prolong the agony. I ask us to vote for freedom and free markets and reject this bailout.

□ 1845

Mr. FRANK of Massachusetts. Mr. Speaker, I think we've gotten an imbalance of time here, so if it is all right with the gentleman from Texas, I would reserve and defer to him for another speaker or two to even out the time.

Mr. HENSARLING. Mr. Speaker, at this time I would yield 1 minute to the gentlewoman from Michigan (Mrs. MILLER.)

Mrs. MILLER of Michigan. Mr. Speaker, you know, after Hurricane Katrina devastated the Gulf Coast, this Congress passed well over $133 billion of assistance to that region, and we did so because Americans were hurting and they needed assistance. And we also did it because that region was vital to our energy industry that plays such a critical role in our national economy.

And I will also note that Americans, those taxpayers from my home State of Michigan and across this great Nation, contributed to that effort.

Now our industrial economy has been hit by a Category 5 economic hurricane brought on by the meltdown in the financial industry. And this has been a disaster which has hit my State hard, and people are hurting all across America. Credit is simply not available to enough consumers to keep the cash flow our automakers need and, because of this, millions of jobs across this Nation are at risk. And I cannot believe that this Congress will allow the backbone of our manufacturing and industrial sector to be swept away, because

I believe that most Members will agree that America cannot be a great Nation without a strong industrial base.

Think about the millions of Americans who are asking us to do the right thing, and support this vital legislation.

Mr. FRANK of Massachusetts. I would continue to reserve.

Mr. HENSARLING. Mr. Speaker, at this time I would like to yield 2 minutes to the gentleman from Georgia, the incoming chairman of the Republican Study Committee, Dr. PRICE.

Mr. PRICE of Georgia. Mr. Speaker, this is certainly a very serious time and a remarkably challenging issue. The good news is that there are positive solutions that are available.

We've been told that the bill before us tonight is a limited bill. I would ask my colleagues, compared to what?

There are many reasons that one might oppose this bill and support some positive, tried-and-true solutions, but I would suggest that the most important issue upon which to oppose this bill is on Page 15, under the authority of the car czar, which says that the President's designee, or the car czar, may prohibit the eligible automobile manufacturer which received the loan, from consummating any such proposed sale, investment, contract, commitment or other transaction. That means, Mr. Speaker, that one individual will have complete authority and power over three private American automobile manufacturers. That's a level of power in one individual, one bureaucrat, that is inconsistent, I would suggest, Mr. Speaker, with both American values and with American solutions.

Now, what's the solution? Well, it's a tried-and-true process that thousands of companies, large and small, are able to go through, a legal, a court-ordered, a court-approved reorganization and restructuring. It allows all stakeholders to come to the table and make concessions. It requires all stakeholders to come to the table and make concessions, and that's what's going to be necessary to allow our automobile manufacturers to get through this and come out on the other end vibrant and vital entities in the American marketplace.

Mr. Speaker, I urge my colleagues to oppose this and to support a positive, tried-and-true solution.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 30 seconds to say that my friend from Georgia apparently doesn't trust the auto companies to know what's in their own interest. He says that the provision in our bill that gives the administrator the ability to cancel a decision, which we have in there as protection against money being sent overseas, is way too interventionist, and instead, they'd be better off with bankruptcy. That's a choice they will be free to make under this bill.

This bill doesn't force anybody to apply for the money. Any company that thinks the provisions of this bill are too burdensome and too interventionist retains the full authority to run to bankruptcy.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I will say this. I yield myself 15 seconds. They think bankruptcy is a lot less attractive than the gentleman from Georgia. But understand, he says, protect the companies from this intervention which keeps money from being sent overseas. Let them go bankrupt.

None of them want to make that choice, but if they do, this bill leaves them free to do it. It doesn't force them to take the money. They still have the joys of bankruptcy which the gentleman from Georgia explained to them.

I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I would like to enter into the RECORD an article from the Economic Policy Institute which says that the shutdown of one or more U.S. automakers could eliminate up to 3.3 million U.S. jobs.

[From the Economic Policy Institute, Dec. 3, 2008]

WHEN GIANTS FALL: SHUTDOWN OF ONE OR MORE U.S. AUTOMAKERS COULD ELIMINATE UP TO 3.3 MILLION U.S. JOBS

(By Robert E. Scott)

The U.S. motor vehicle industry is one of the largest, most complex and highly integrated sectors of the U.S. economy. The bankruptcy of one or more of the U.S. automakers and a collapse of the domestic auto assembly industry could eliminate up to 3.3 million U.S. jobs within the next year. The collapse of just one company, General Motors (GM), would lead to an estimated reduction of 900,000 jobs. Using the range of job-loss estimates, unemployment would rise by 3.0 to 8.9 percentage points in the nine hardest hit states in the United States. Jobs losses would be widespread throughout the U.S. economy. After the U.S. auto market recovers from the current historic recession the U.S. trade deficit could rise by at least $110 billion per year as imported vehicles displace domestic brands, increasing the deficit by 16% and putting additional downward pressure on the U.S. dollar and living standards.

In addition to its finding that a bankruptcy-related shutdown of the U.S. motor vehicle industry could cost up to 3.3 million U.S. jobs, this study finds:

The 900,000 to 3.3 million jobs lost nationwide would be distributed among all 50 states and the District of Columbia, with the biggest losers, in numeric terms: Michigan (112,500 to 407,300 jobs lost), California (84,500 to 305,900 jobs), Ohio (60,500 to 219,100 jobs), Texas (55,200 to 200,000), Illinois (42,800 to 154,900), Indiana (40,700 to 147,300), and New York (39,900 to 144,600) (Table 2a).

The hardest-hit states, as a share of total state employment, are: Michigan (up to 407,300 jobs, 8.9% of state employment), Indiana (up to 147,300 jobs, 5.0% of employment), Kentucky (up to 75,000 jobs, 4.2% of employment), Alabama (up to 76,100 jobs, 4.0% of employment), Tennessee (up to 106,400, 4.0% of employment), and Ohio (up to 219,100 jobs, 4.0% of employment) (Table 2b).

Between 113,900 and 412,600 jobs would be lost in the motor vehicle and parts industries alone. Other hard hit manufacturing sectors include fabricated metal products (up to 60,500 jobs lost), primary metals (up to 33,700 jobs lost), plastic and rubber products (up to 23,600 jobs lost), non-electrical machinery (up to 19,800 jobs lost) and computer and electronic parts (up to 16,800 jobs lost) (Table 4).

Service industries would also experience massive job losses including wholesale trade (up to 96,400 jobs lost), retail trade (up to 86,600 jobs lost), transportation (up to 69,6500 jobs lost), finance and insurance (up to 30,300 jobs lost), professional, scientific, and technical services (up to 76,300 jobs lost), and administrative support and temp help services (up to 55,300 jobs lost) (Table 4).

Jobs in the auto industry are some of the best paid in the economy, and when workers spend those wages they generate (on average) about 1.7 additional jobs for each job supported in the auto and related sectors. Thus, an auto industry shutdown would eliminate between 576,700 and 2.1 million ''re-spending'' jobs in the domestic economy (Table 4). These would constitute the bulk of the jobs displaced by an auto industry bankruptcy.

If the Big Three auto firms shut down, the U.S. trade deficit would rise by $109.3 billion, a significant (15.6%) increase in the U.S. goods and services trade deficit relative to 2007 levels. This increase would substantially exceed the combined U.S. goods trade deficit with Japan and South Korea in 2007 ($95.7 billion), which was second only to the U.S. deficit with China. Overall U.S. motor vehicle exports would fall by 61%, total imports would rise by 21%, and the U.S. auto trade deficit would rise from $123.5 billion to $232.8 billion (88%).

CONCLUSION

The bankruptcy of one or more U.S.-based automakers would lead to the shutdown of significant portions of the U.S. motor vehicle industry. This would, in turn, cause a wave of plant closures and bankruptcies throughout the manufacturing and services sectors of our economy. Under this scenario, as many as an estimated 3.3 million U.S. jobs would be eliminated, with thousands of jobs lost in every state. Massive increases in unemployment would result. But this would just be the first wave of consequences of an auto industry bankruptcy. Massive job loss and community disruption would result. Increased government payments and tax losses alone would exceed $150 billion in the first three years following bankruptcy of all three domestic auto companies, according to Code et al. (2008).

An airline-style (Chapter 11) bankruptcy re-organization is not an option for U.S.-based automakers. They have already extensively restructured product lines and labor contracts. Academic experts (Helper and MacDuffie 2008) and the industry itself have put forth restructuring plans that include independent oversight committees and regular performance benchmarking tied to future funding. These plans provide the foundation for a rebuilt, restructured domestic auto industry that is ready to compete and deliver good, sustainable U.S. jobs for the future. The alternative is simply too destructive to contemplate.

We have to understand that the implications of the failure of this legislation means that there are many industries across America that are going to be adversely affected, including tens of thousands of jobs in plastics, in rubber products, in primary metal, in fabricated metal products, in machinery, in computer and electronic products, in semiconductors, in wholesale trade and retail trade, in transportation, in finance and insurance, in professional, scientific and technical services, in companies and enterprises, in administrative and support and waste management and remediation services.

We're not just talking about some small boutique industry here. We're talking about something that is vitally connected to the entire American economy.

Now, we may have agreement about the management of the automotive industry, but there shouldn't be any disagreement that the American workers make a good product when they are able to make their product.

We have to have confidence in our Nation. We have to have confidence in our ability to make things. We, as a Congress, should take a proprietary interest in the fact that America can make cars and that we can make steel and planes and that we can build ships. This is what made our country great. We cannot maintain any credibility in the world community if we see our automotive industry collapse. And steel will not be far behind.

Sixty-seven years ago, when this Nation was attacked, the ability to respond and defend America depended on the very industry which is facing this Congress today begging for help. But they're not begging for help for themselves. Think of millions of Americans who are watching our deliberations asking, do we have any sense about what the impact of the failure of this legislation would mean?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield the gentleman 30 seconds.

Mr. KUCINICH. We are expected to be able to see into the future. People elect us to be able to hold in our hands their lives, their jobs, their economic freedom. We cannot fail them in this moment. We cannot let this industry go bankrupt. We cannot let America descend to a second-rate power. We must be strong.

I will be introducing in the next Congress the National Industrial Manufacturing Act, which is going to say that steel, automotive, aerospace and shipping are deemed to be vital to our national defense. And we need a whole new direction. Let's start today by showing we can move towards economic recovery by saving our automotive industry.

Mr. HENSARLING. Mr. Speaker, at this time I am pleased to yield 2 minutes to the gentleman from Illinois (Mr. ROSKAM).

Mr. ROSKAM. Mr. Speaker, I want to applaud the gentleman from Ohio (Mr. KUCINICH) with his passion and his clarity really, but really want to urge a little bit of caution. And I think the reason for caution was on display today in the House Financial Services Committee on a different issue. We had some hearings on some oversight as it relates to the $700 billion bailout. And it was really, in my hearing, and during the time that I was there and watching on television also, it was really overwhelming to watch Members of Congress talking to members of the administration and almost talking past one another, you know, interpreting things differently, and I don't think that's what the legislation meant and so forth and so on. And so here we are $700 billion later, and administration and Capitol Hill talking past one another. And I think we're on the verge of doing that same thing here if we're not careful, because I represent a district, the western suburbs of Chicago, with a lot of auto supply manufacturers. But there's no guarantee that that money that we're contemplating tonight is going to get to the folks in my district. There's no guarantee that the type of pressure that has been put on the auto manufacturers is going to come to fruition and actually come up with something good.

What happened to the December 2 deadline? What happened to the December 2 moratorium by which there was going to be a new declaration and a new plan? And it has now been postponed now to the end of the first quarter.

So clearly, there is an urgency here to work. Clearly, there is an urgency to get something done. But heaven help us if we pass the same type of statute that was enacted with such urgency only 2 months ago.

Mr. FRANK of Massachusetts. I would reserve again. We have got an imbalance that we created.

Mr. HENSARLING. Mr. Speaker, may I inquire how much time remains on both sides?

The SPEAKER pro tempore. The gentleman from Texas has 17 minutes remaining. The gentleman from Massachusetts has 11½ minutes remaining.

Mr. HENSARLING. In that case, Mr. Speaker, I am happy to yield 2 minutes to the distinguished ranking member of the Energy and Commerce Committee, the gentleman from Texas (Mr. BARTON).

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise in support of this legislation this evening. I think it's important that members of the Republican Party in the House be for Main Street and the workers of America as much as sometimes we are for Wall Street and the financiers of America.

I have the privilege to represent over 2,500 GM assembly workers and managers at the GM assembly plant in Arlington, Texas. They produce the highest quality products, SUV, hybrids, pickups in the world. They export a fair number of the products that they manufacture, and they manufacture over 200,000 vehicles on an annual basis every year.

It would be an absolute shame if we either force these companies into bankruptcy or watch them totally go out of business because they had the misfortune to be in a business cycle where gasoline was $4 a gallon and their product sale fell 40 percent on average in 1 year.

If I lost 40 percent of my votes in this last election in 2008, I would not be coming back as a Member-elect of the next Congress.

If we can give the AIGs and the Wells Fargos and the J.P. Morgans of the world, each of those individual companies, between 40 and $25 billion, in what amounts to some sort of a very unsecured loan, to be generous about it, certainly we can give the American nameplate automotive industry a $15 billion bridge loan that has a 5 percent interest rate for, I believe, the first 5 years and then a 9 percent interest rate after that; that has an automobile czar appointed by President Bush to oversee the industry, and force them to be accountable on any expenditure over $14 million.

I would ask for a ''yes'' vote on the bill.

Mr. FRANK of Massachusetts. I yield 1 minute to another long-time distinguished expert in the field, the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Speaker, not many people were here back in 1979 when this House and the Congress passed the loan guarantee for Chrysler. I was a cosponsor of that bill, and we made over $300 million on that loan. Before that vote, I was responsible for finding out how many congressional districts were affected by Chrysler. I spent hours on the phone looking at congressional district after congressional district. My research didn't yield many, if any, congressional districts that were not affected by the viability of Chrysler Corporation. Steel, aluminum, glass, plastic and computer chips are obvious components in today's cars.

□ 1900

But it goes beyond that, Mr. Speaker. My Republican colleague at the time, Congressman Jim Broyhill of North Carolina, asked me one day, ''Kildee, when are you people of Michigan getting back to work?''

I said, ''Jim, why do you ask?''

He said, ''Because my constituents in the carpet fiber manufacturing industry are suffering.''

This goes beyond the automobile industry. It touches all of America. What America drives drives America.

Mr. HENSARLING. Mr. Speaker, at this time, I'm happy to yield 1 minute to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Speaker, nobody here in this institution wants to see the auto industry go belly up. Some of us simply believe that the best way to ensure the long-term viability of the auto industry is to allow them to go into bankruptcy where they can reorganize in a way that will make them viable in the long term.

This legislation simply represents the fatal conceit, the notion that we in this institution can outguess the millions of decisions by independent actors in the marketplace. We simply can't. We know that. Yet think about it. This legislation appoints a car czar. That sounds like the guy in East Germany in the 1970s who came up with the infamous Trabant, or Trabbie, which is the European version of the Edsel. How in the world can anybody in this institution or elsewhere in government outguess the marketplace? We simply can't.

Mr. Speaker, let's allow this industry to go into bankruptcy and to reorganize in a way that they will be viable in the long term.

Mr. FRANK of Massachusetts. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, may I inquire how much time remains on both sides.

The SPEAKER pro tempore. The gentleman from Texas has 14 minutes remaining. The gentleman from Massachusetts has 10½ minutes remaining.

Mr. HENSARLING. Mr. Speaker, at this time, I am happy to yield 1½ minutes to the distinguished ranking member of the Armed Services Committee, the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, I am reminded that in World War II and at Willow Run, Michigan, I believe, Ford Motor Company made a bomber every 60 minutes for this country. Chrysler made tens of thousands of tanks. General Motors developed engines for practically every type of war machine that we utilized.

I would ask my colleagues to look at the need for this vote, after we have the vote and in the ensuing months, to move into the real requirement that is before the American people, and that is this: Right now, we have a non-level playing field around the world. We agreed to a GAT agreement many years ago after World War II in which we agreed to allow other nations to subsidize their auto industries by rebating their taxes, their VAT taxes, and by charging that same tax to American cars coming into their countries.

That means that a $10,000 car coming out of Japan receives a rebate from the Government of Japan to that car company for $1,500 if they'll do one thing—sell the car in America. When the American car comes to Japan, it receives a tax of $1,500 at the border for the American car to be sold. That's why, of the 132 trading nations moving beyond the auto industry, the United States has a deficit, a trade deficit, with practically every country in the world, including those with higher labor rates than the United States. So, as we apportion these jobs—this burden—for industry and for labor, there is also a job for government.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield the gentleman an additional 30 seconds.

Mr. HUNTER. That job for us is a job of leveling the playing field and of reforming our trade policies so that free trade moves in both directions. Right now, we have trade that is free in only one direction, and that is for products coming into the United States.

I thank my colleagues, and I thank the gentleman.

Mr. FRANK of Massachusetts. Mr. Speaker, I will take 30 seconds to say that my friend from Arizona says how can we assume that one bureaucrat would know more than the marketplace. Well, it's not harder to do that than to assume that one bankruptcy trustee would know more than the marketplace. Bankruptcy is a suspension of the marketplace. I am puzzled by this double standard here. Let's leave it to the market by appointing a bankruptcy trustee—a total abnegation of the concept of the market—and the appointment of a lawyer who is less likely, it seems to me, to have the expertise than the whole Bush administration might be able to find in industrial matters.

I yield 1 minute to the long-suffering and extremely patient gentleman from Missouri (Mr. CLAY).

(Mr. CLAY asked and was given permission to revise and extend his remarks.)

Mr. CLAY. Let me say that I stand in support of the bridge loans to the automobile companies. I speak today for workers. An overwhelming majority of my constituents in the First District support the bridge loans also. They, like me, do not want to see the Big 3 go bankrupt. This would not be good for our economy at this time in our history.

If these companies are to go into bankruptcy, it would mean that hundreds of smaller companies and suppliers would go into bankruptcy or would be economically crippled. Millions of Americans have stock in these auto companies, and I need not lecture on the further risk to their investments that this would cause. The state of the economy has already done enough damage to their investments, to pension fund investments and to the investments of business and of organizations of all kinds. The auto companies and the unions have agreements that will bring them in line with Toyota's by 2012. Cut labor costs and industry costs.

I urge the passage of the bill.

Mr. Speaker, I stand today in support of the bridge loans to the automobile companies. I speak today for workers. An overwhelming majority of my constitutents in the 1st Congressional District of the State of Missouri, support the bridge loans also. They, like me, do not see bankruptcy of the "Big 3" as a positive for workers or the economy at this time in history.

Mr. Speaker, if these companies are to go into bankruptcy, it would mean that hundreds of smaller companies, the suppliers, would go into bankruptcy or be economically crippled.

Small businesses employ more workers in the United States than all other employers combined. The failing of the big three auto makers would put approximately 300,000 jobs at risk in the auto industry. The associated industries, that supply and contract with the auto makers, would then have in excess of 3 million workers at risk.

If the auto makers are to go into bankruptcy, the warranties on your cars are at risk. This could result in families, already cash strapped, having to pay repairs out of pocket expenses that were not a part of their budgets and perhaps that requires shifting money from another necessity to pay for the repairs.

Millions of Americans have stock in these auto companies. I need not lecture on the further risks to their investments this would cause. The state of the economy has already done enough damage to their investments, pension fund investments, and the investments of businesses and organizations of all kinds.

The auto companies and the unions have agreements that will bring them in line with Toyotas' by 2012. They continue to work together to cut labor costs and industry costs to insure the economic stability of the auto industry.

I also understand that there are other credible arguments to the contrary, but I can't agree that this is the time to consider them. Our economy is too fragile to risk this kind of hit at this time in the country's economic history.

We have used the tarp money to bail out banks and investment houses and to insure that select securities are properly backed. I voted against this approach in previous votes. I believe that we need to concentrate more on putting money in the hands of consumers through the creation of jobs and the maintaining of jobs that do exist. This legislation directly targets the workers. We do not need to have an economy with healthy institutions and securities and consumers with no money to purchase goods or invest.

I am speaking to both parties on the floor. We won't solve these economic problems confronting us working for separate results. And I do know that no Member of this floor wants to see this economy crash. I do understand that we have some differences of opinion in the methods that Government has to employ to inject life into the economy. We can work on them after the first of the year. Roll up your sleeves and come back in January ready to find the best solutions.

Join me in supporting this package today. This is only a stopgap measure, but a necessary one. We cannot afford the risk of the alternatives.

Mr. HENSARLING. Mr. Speaker, at this time, I yield myself 3 minutes.

No one in this Chamber wants to see the Big 3 automakers fail. No one. The loss of these automakers would be a tragic circumstance for our economy. There is no doubt. Mr. Speaker, I ask the question that I asked of the chairman of the Big 3 automakers, and that is:

Name me three industries that are not hurting in this economy that could not be helped, sustained and made more profitable by the infusion of $15 billion?

Stone cold silence at the witness table.

Mr. Speaker, everyone in every industry is hurting in this economy. Why the automakers? Why not the airlines?

Why not the home builders? Why not the restaurants and the hotels? They do not have a monopoly on economic misery. If our purpose here today is to preserve jobs, I'm wondering why the money is not destined for the small businesses of America.

This year, a half a million small businesses that are employing an average of 10 workers will fail. Small business is the job engine of America, not just the small businesses that may be attached to the automakers in the industry but all small businesses.

Jacksonville Industries in my district in Jacksonville, Texas. Kenneth Framing in Athens, Texas. Now, I suspect nobody in this Chamber has heard the names of those businesses, but we've all heard the names of the Big 3 automakers, and we know that they've had the ability to spend $50 million to lobby this Congress this year. I don't deny them their first amendment opportunities to petition the Congress for the redress of their grievances.

But, Mr. Speaker, are they getting the money and small business isn't getting the money merely because we have not heard the names of the small businesses and because they're working hard to put food on their tables to sustain their families and because they don't have $50 million to spend on lobbying expenses?

I think there must be a better way. Indeed, it would be one thing if we knew for a fact that this money somehow would solve the problem, but we don't. Independent analysts in the auto industry tell us, if demand does not pick up for the domestic auto industry, $15 billion, $35 billion, $75 billion, and $105 billion will not solve the problem. It will not solve the problem.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I yield myself an additional minute.

Everybody agrees that the auto industry needs to reorganize, but the question that is before this body is: Is it going to reorganize at the risk of investors or is it going to reorganize at the risk of the poor, beleaguered taxpayer? Is it going to take voluntary capital from investors at risk or involuntary capital from taxpayers that is placed at risk?

The taxpayer can take no more. We are seeing the largest nominal deficit in the history of our Nation. The unfunded obligations of the average American family are over $400,000. Bailout mania has had thousands of dollars of obligations to them. We want the Big 3 to survive, but they've got to get down their labor costs. They've got to convince the American consumer that their products are worthy of their investment. They must reorganize, but another bailout at the taxpayer expense is not the answer, particularly when small business does not enjoy the same benefit.

This bill should be voted down.

Mr. FRANK of Massachusetts. I yield 1 minute to a member of the committee, to the Chair of the Subcommittee on Financial Institutions and Consumer Credit, the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank the gentleman for yielding and for his leadership in bringing this important legislation to the body tonight.

I rise in strong support of the bridge loan of $15 billion to three of the largest manufacturers in America.

In response to my good friend on the other side of the aisle, if you're concerned about saving small businesses, there are literally thousands of small businesses that are associated with the auto industry in our country.

I would like to put in the RECORD a report that my office and I worked on that shows the ripple effect of the loss of these jobs in America. Over 3 million jobs are either directly or indirectly associated with the auto industry—one in seven manufacturing jobs, many small businesses, the auto dealers, the suppliers. This is a major employer in America.

Last month, we lost over 533,000 jobs. Unemployment is at 6.7 percent. If this industry fails, the unemployment rate will jump to, roughly, 8.3 percent. Our fragile economy is in a crisis. We can not afford to lose these jobs. Other countries support their auto industries. We should, too.

THE RIPPLE EFFECT: WHY FAILURE OF THE BIG 3 IS NOT AN OPTION

THE AUTO INDUSTRY EMPLOYS ONE IN TEN MANUFACTURING JOBS

The domestic vehicle manufacturing industry, including the numerous companies that manufacture parts and technologies to supply American automakers, represents over 10 percent of the nation's manufacturing employment. A major contraction or collapse of the domestic auto industry could have multiple adverse affects on the economy, especially by driving up unemployment. Serious jobs losses in the industry would also have negative spillover effects for the manufacturers that supply everything from tires to cutting edge advanced technology such as advanced batteries for hybrid vehicles. These spillover effects would harm future innovation in the United States broadly, not just in the auto sector. Finally, over 10 percent of U.S. exports are motor vehicles or parts, and an additional 39 percent of exports are from capital goods sectors such as industrial machinery that depend in part on supplying domestic automakers. For this reason, a major failure of U.S. automakers will have an immediate and severe negative effect on our trade deficit, and will make any future progress on improving our trade balance far more difficult.

APPROXIMATELY 2 MILLION WORKERS BUILD OR SELL VEHICLES MADE BY THE DETROIT THREE

Chart I shows a breakdown of the estimated employment that depends directly on the Detroit Three, based on data from the Department of Commerce. The production supply chain alone relies on almost 1.5 million workers, far more than the quarter million workers who are directly employed by the automakers. This is because most of the workers who produce a car work for outside suppliers who manufacture vehicle parts and components. In addition, vehicle parts suppliers must themselves draw on producers of other supplies and services, ranging from steel to machine tools. The Commerce Department's Bureau of Economic Analysis estimates that each job in auto assembly and parts production directly supports 2.4 additional jobs in the economy through its supply chain purchases.

Once the car is produced, it is sold and serviced through auto dealerships that employ over a million workers, approximately half of which sell Detroit Three cars. In total, almost two million workers are directly employed in the production and sale of Detroit vehicles. Only 12 percent of these jobs are in the Detroit automakers themselves, but all of them could potentially be threatened by an automaker shutdown.

MULTIPLE STUDIES ESTIMATE JOB LOSSES OF 2.5 MILLION OR MORE FROM A MAJOR AUTOMAKER CONTRACTION

The two million workers connected to the Detroit Three indirectly support many other jobs. Job loss among auto workers would reduce spending in their communities, leading to further job losses in retail and other sectors. At a time of general recession, the job and consumer expenditure losses created by a major auto industry contraction will not be made up from other sources.

The exact number of jobs supported by this spending is difficult to estimate. However, it is clear that numerous additional jobs would be at risk. Three separate studies—from Mark Zandi of the economic analysis firm Moody's Economy.com, the Center for Automotive Research, and the Economic Policy Institute—have estimated that a major disruption to the auto industry would lead to job losses of at least 2.5 million and possibly as much as 3 million jobs. This implies that a major contraction or collapse of the domestic auto industry could singlehandedly drive the unemployment rate from its current level of 6.7 percent to 8.3 percent, even as job losses in other sectors continue.

THE CURRENT FINANCIAL AUTOMAKER CRISIS IS EXACERBATED BY THE CREDIT CRISIS

The magnitude of these losses were driven by the combination of a massive spike in crude oil and gasoline prices during 2006–07, followed by the credit crisis and recession that has begun over the past year. The credit crisis has led to a sharp cutoff in financing for auto loans, and the general impact of the recession has led to record drops in consumer spending. Chart 2 shows the combination of these two factors has devastated North American vehicle sales for all manufacturers. Total vehicle sales in November 2008 were down 37 percent from one year ago. Once recovery has begun from the credit crisis and the recession, it is likely that automaker earnings and sales will begin to show a recovery as well.

AMERICAN AUTOMAKERS HAVE ALREADY MADE MAJOR PROGRESS ON NEEDED RESTRUCTURING

In 1990, MIT researchers estimated that Toyota and other Japanese ''lean manufacturers'' were twice as efficient as the U.S. ''Big Three'', and could manufacture a car in one-half the time required by American firms. Today, the most recent data finds that U.S. manufacturers have ''nearly erased the productivity deficit against their Japanese-based competitors.'' General Motors has increased its productivity 15 consecutive years, and now requires 32.3 hours to manufacture a car, as opposed to 30.7 hours for industry leader Toyota—a productivity gap of only about 5 percent. Chrysler has now tied Toyota in productivity.

GM and other Detroit manufacturers have also made major recent investments in improving fuel efficiency, to avoid a repeat of sales declines associated with rising gas prices. General Motor's 2008 model line has more vehicles with 30 or more miles per gallon than any other manufacturer, and the company plans the introduction of 16 new hybrid vehicles by 2010.

AUTO WORKER PAY AND BENEFITS HAVE ALREADY BEEN SLASHED TO COMPETITIVE LEVELS

A major reason for cost difference between Detroit and Japanese automakers is that U.S. firms must assume additional pension and retiree health costs not faced by foreign manufacturers. However, in 2005 and 2007 the United Auto Workers (UAW) made major concessions in pay and benefits. The new contract slashed starting salaries at auto plants by 50 percent, to about $14 per hour. Current UAW workers also sacrificed all wage increases from 2006 through the end of the contract in 2011. Most important of all, the new contract established a health care trust fund that cut retiree pension and health benefits significantly. For example, the new contract will cut GM's total legacy pension and health benefits from $7 billion to approximately $1 billion beginning in 2010, and cuts Ford's legacy-related costs from $16 to $3 per current labor hour.

The frequently cited figure that UAW autoworkers make over $70 per hour is inaccurate, and is based on representing the full fixed costs of retiree health and benefits as part of labor costs for the current, much smaller auto-maker workforce. In fact, the most highly paid UAW worker at a Detroit Three automaker, a skilled trades worker with seniority, earns about $33 per hour. The new labor agreement cuts full labor costs, including all current and legacy benefit costs, to $53 per hour for U.S. automakers, as compared to $49 per hour at non-unionized Honda and Toyota assembly plants.

STANDARD BANKRUPTCY IS NOT A VIABLE SOLUTION FOR TROUBLED AUTOMAKERS

Companies in bankruptcy restructuring are dependent on external financing to continue operation. In the current credit crisis, it is highly unlikely that private sector external financing will be forthcoming for GM or other auto-makers that enter bankruptcy. Without private sector financing, a standard Chapter 11 process could quickly result in a movement to Chapter 7 liquidation, potentially resulting in the large-scale job losses outlined above.

It is also important to note that the bankruptcy process is designed to pay off creditors, not to protect the public interest. During the bankruptcy process, firm management would be unable to undertake major new initiatives to improve technology, fuel efficiency, or productivity, since their attention would be engaged by legal conflicts over finances. Finally, consumers are unlikely to purchase automobiles from a bankrupt manufacturer, due to concerns over warranties and service.

A CONDITIONAL BRIDGE LOAN FROM THE FEDERAL GOVERNMENT IS THE RIGHT STEP

The American auto industry is under tremendous financial pressure from a unique set of economic circumstances. If one or more auto manufacturers go out of business at this time, then the total costs to society will be far greater than the loan that has been requested from government. The study by the Center for Automotive Research found that a 50 percent contraction in Detroit automaker employment would cause government to lose $50 billion in the first year and $108 billion over three years due to combined declines in tax receipts and increases in transfer payments.

Bridge financing would be crucial in helping these companies past the current credit and economic crisis, until recent improvements in productivity and fuel efficiency pay off. Any bridge financing should be accompanied by strict oversight and conditions for investment in continued progress in improving efficiency, as well as further stakeholder concessions.

Mr. HENSARLING. Mr. Speaker, may I again inquire as to how much time is remaining on both sides, please.

The SPEAKER pro tempore. The gentleman from Texas has 8½ minutes remaining. The gentleman from Massachusetts has 7½ minutes remaining.

Mr. HENSARLING. Mr. Speaker, we are prepared to close. I would like to inquire of the distinguished chairman of the Financial Services Committee: I don't know if the gentleman has other speakers.

Mr. FRANK of Massachusetts. Well, I am personally prepared to close. I would not be allowed to, so I have several more speakers.

Mr. HENSARLING. In that case, Mr. Speaker, I would like to reserve the balance of my time.

Mr. FRANK of Massachusetts. I now yield 2 minutes to the gentleman from Michigan, who has been, as I can personally testify, the most ardent advocate in responding to this automobile crisis, Mr. LEVIN.

Mr. LEVIN. Thank you very much, Mr. FRANK, for your being a pillar of commitment and of intelligence.

I want to ask a question, but before I do that, I just want to say: We hear from the minority that they don't want the domestic industry to collapse, but then they give all of the reasons why they'll do nothing to help it from collapsing. They talk about the power, as Mr. FRANK has said, of someone appointed by the President, and give it to a trustee who is accountable to no one. Well, a person appointed by the President is accountable to the President of the United States.

To Mr. FRANK, our distinguished chairman: Is the savings clause in the subordination provision of the legislation intended to apply to unfunded committed credit facilities of an automobile manufacturer in effect on December 2, 2008?

Mr. FRANK of Massachusetts. If the gentleman would yield, the answer is, yes, that clause does apply. We would want an automobile manufacturer to be able to use any of its existing unfunded credit facilities as a source of liquidity. So we clearly intend for the savings clause in the subordination provision of the legislation to cover unfunded committed credit facilities in effect as of December 2.

Mr. FRANK of Massachusetts. Let me inquire of the gentleman: Does he have only one speaker remaining?

Mr. HENSARLING. Mr. Speaker, we have one speaker remaining, so we would reserve at this time.

Mr. FRANK of Massachusetts. Then I yield 1 minute to the gentleman from Maryland, the majority leader.

Mr. HOYER. In this time of economic crisis—as America is challenged, as economists tell us that we are facing the worst recession since the Great Depression—I want to say to BARNEY FRANK, the chairman of the Financial Services Committee, that nobody has worked harder over the last 12 months with Secretary Paulson, Ben Bernanke, CHRIS DODD, SPENCER BACHUS, and with others in the Senate and in the House to try to address this issue in a responsible, effective way.

□ 1915

There is nobody in this body, Republican or Democrat, who wants to see this economy go down further. There is nobody in this body, Republican or Democrat, who wants to see people losing jobs. There is nobody in this body who wants to see the 401(k) plans of our senior citizens who are relying on those plans for their retirement to have it eroded by further reduction in its value.

Lyndon Johnson once said, ''It's not difficult to do the right thing. It's difficult to know what the right thing is.'' And that is, of course, what this debate is about, what is the right thing.

I think it would be a fair statement that there will be really nobody who votes on this bill who will say this is absolutely right or this is absolutely wrong. There will be many of us who will vote, however, in a belief that this is a further effort to try to staunch the extraordinarily rapid fall that this economy has seen over the last 12 months.

This bill is designed to give the automakers the time and space they need to become a competitive job-creating industry once again. Why? Because we need them. We need their industrial capacity; we need them, frankly, psychologically; and we need them in terms of the employment they give, the profits they make, and the quality of product they provide.

It is designed, this bill, to do so while protecting taxpayer dollars. Does it do so absolutely? No, it does not. But it has made very substantial efforts to put us in the best position possible. Reconciling the goals of saving these companies for the welfare of our country and protecting our taxpayers has taken long negotiations and compromise on both sides, but I'm convinced we've come to a sound solution.

These rescue loans are necessary—not to reward bad decision making in Detroit, but to protect 3 million American jobs, 3 million livelihoods, 3 million families who depend on the automakers; not only their direct employees, but the workers, their suppliers, the small businesses—as the gentleman from Texas referenced—that serve those workers and entire communities.

Are we really willing to put those workers at risk in this deep recession? 533,000 jobs lost this year last month, 533,000 last month. Let me give you a comparison. During the last year of the last administration in 2000, we gained over 1½ million jobs. This year, we've lost over 1½ million jobs. That's a 3 million job turnaround in the two 8-year interfacing periods.

That's why people in America are hurting. We cannot take the risk of having a million-month lost jobs. We're not willing to put those workers at risk in this deep recession.

As John Judis put it recently in the New Republic, without public loans, ''the industry will disappear the way the American television manufacturing industry disappeared. American workers and engineers will lose their ability to compete in a major durable goods industry.'' We cannot afford to have that happen.

The gentleman from Texas said that we don't want that to happen. The gentleman from Massachusetts says we don't want that to happen. We are trying to figure out how we ensure the objective that both of those gentlemen believe is appropriate.

That is the motive behind the $15 billion in emergency bridge loans for the car companies. But it is equally important to ensure that those loans lead to real reform to ensure that we do not find ourselves right back in this same emergency in just a few months' time. All 435 agree that that is not an objective or a result we want to see.

Congress has insisted that the automakers develop detailed plans for long-term viability. I'm pleased that we were able to work with the administration. It has been criticized, but the administration and the President, others in the administration with whom I have talked, believe that making sure that this industry has the ability to continue is critical to the welfare of this Nation—not just to this industry but of this Nation.

The viability plans that we are requiring were presented to Congress on December 2, and we've examined them in detail. Now, this bill will hold the automakers to their promises. They will be accountable to Congress and the administration as well as an administration-appointed ''car czar'' who will oversee the efforts of the industry and its stakeholders to cut costs, restructure debt, and renegotiate labor contracts. They will not be running the car companies, as they should not be, but they will be overseeing and ensuring that the car companies carry out the promises that they have made to us and to the taxpayers.

Just like any other lender, the Federal Government is insisting that the recipients of its loans be on a plausible path to profitability. If the automakers stick to their plans for viability, more assistance, of course, may be possible. But if the administration-appointed official finds that they have not made adequate progress on restructuring by March 31, the loans will be called, and the automakers will be a step closer to bankruptcy.

The automakers and most of the people with whom I've talked, liberal economists, conservative economists, Republicans and Democrats, believe that bankruptcy is not the option. There are some who believe that's the option, but most I have talked to do not.

This bill, of course, also includes safeguards for the taxpayers, as I said. It lets the American people profit if and when the value of the car companies recovers, as surely all of us hope it will. And it guarantees that taxpayer money will not fund lavish executive bonuses or golden parachutes.

Mr. Speaker, if we act today, we can seize the chance for an American auto industry that is leaner, greener, and once more competitive.

But ladies and gentlemen of this House, if we do nothing, we face the risk that sometime soon there will be no American auto industry. That will not be good for our national security, it will not be good for our economic security, it will not be good for the psychology of our country.

So Mr. Speaker, I urge us, as I urged before when we acted to try to free up credit to prop up the financial industries—so critical to the success of every industry, of every consumer, of every household—to act not as Democrats, not as Republicans. I believe this will be a bipartisan bill. There will be Republicans who vote for this bill and Democrats who will vote for this bill.

The administration has worked hard with us. We've worked hard with them to come to agreement. There may be some items that are still not in agreement. But the overwhelming objective of this bill and the result of this bill is agreed to between the administration and ourselves.

This bill has the power to protect innumerable American jobs, and its strong safeguards will ensure that we are authorizing anything but a bridge loan to nowhere.

Mr. Speaker, I rise on behalf of this legislation, and in closing, again thank BARNEY FRANK, SPENCER BACHUS, and all of the others in the House on both sides, proponents and opponents, who have worked on this bill conscientiously to try to respond to a crisis that confronts our country and that the American public is asking us to help them solve to make their lives better, to bring our country back.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. PERLMUTTER).

Mr. PERLMUTTER. Thank you, Mr. Chairman.

And to my friends, Mr. HENSARLING and Dr. PRICE from the Financial Services Committee, you raise some legitimate points. But I think three questions have to be asked, and if they're answered in the affirmative, then I think we must go forward and pass this bill.

First, do you believe that the domestic auto industry is essential to America, whether it's for jobs or national security? I think the answer is ''yes.'' But that doesn't answer the whole question.

The second two questions are, are you throwing good money after bad, or can you restructure these companies so that they can be competitive and succeed going forward? I think the answer is ''yes.'' We've received reorganization/restructuring plans from them that show really an ability to compete and to bring technology that leapfrogs Japanese technologies and other technologies into the future for our companies. So we can restructure these companies.

And the third, can we protect the advances, the loans, that are made by the United States to these companies for the next hundred days? And the answer is ''yes.'' And in fact, we've gone about as far as we can go within the bounds of the Constitution and say that such loans shall be senior and prior to all obligations, liabilities, and debts of the automobile manufacturers, and we will take all available security and collateral.

So we've done those three things. Is it essential? Yes. Can they be restructured? Yes. Have we secured the taxpayer? Yes.

So we are making a loan for 100 days until a reorganization plan is approved by the President's designee. If in fact during that time there is no reorganization plan or one that is not viable, that designee can call the loan.

So this is a step for 100 days to protect an industry that is essential to this country. I've thought about this a lot. We have done what we can to limit executive pay, to stop dividends or distributions during the period of the loans.

So we are taking steps to protect taxpayers for an industry that is essential to this country, and we will see over the next 100 days whether they can be restructured.

Mr. FRANK of Massachusetts. Mr. Speaker, I will now speak, and I will have one speaker after that. So when I'm through, it will be the turn of the gentleman from Texas to do his closing because I'm retaining one speaker after myself.

I yield myself 1½ minutes.

Here is the dichotomy: Bankruptcy versus a piece of legislation which says to the administration—the incoming and outgoing—you do what you hope to accomplish in bankruptcy but with more flexibility, with a greater pool of people to call on.

We've heard mocked the notion that either this administration or the next would have within its ranks expertise in economics and industrial organization, and we're told, ''No, no. That doesn't work. Find a bankruptcy trustee.'' I think they get the worst part of that argument if they listen to it.

Beyond that, we have consumer marketing issues. The three companies are convinced—and almost every expert I talked to agrees with them—if they declare formal bankruptcy, their ability to sell cars is damaged. People buying cars want to know they will have a continuing relationship with an entity that will service the cars and make parts for the cars.

So this continuing longer term relationship makes bankruptcy far more of a problem for them than for an airline where your contingency was just to buy one seat and nothing further.

But again, the greatest illogic is to argue that somehow in the bankruptcy courts with a bankruptcy trustee, we were going to tie it to the lawyers. You get a far greater degree of expertise than either one of the two Presidential administrations could find within its ranks of economists and engineers and others. Therefore, we believe that our solution is the preferred one.

Mr. BACHUS. Mr. Speaker, it is my pleasure to yield the balance of our time to the distinguished gentleman from Michigan (Mr. MCCOTTER).

□ 1930

Mr. MCCOTTER. I come from Michigan. I was born in Detroit. Wherever you go in the world, people know two things about Detroit. They know we make cars and they know we make music, Motown. And so when we find ourselves in difficult situations, it is not unusual for us to refer to music to help keep our lucidity and our balance to come through the tough times.

As I listen to the debate on the auto industry, in many ways I'm reminded of Bob Seger's song where he says: To the IRS I'm another file. I'm just a statistic on a sheet. I feel like a number. I'm not a number. I'm a man.

We've heard a lot of talk about the policy undergirding this bill. There are good arguments on both sides, but I live with the people who will be affected by it. There have been those who have said bankruptcy is an option. Many people have said bankruptcy is a preferred option. I suppose bankruptcy is an option for those who it is not an option for. Why? Because those who like bankruptcy should first impose bankruptcy upon themselves and to see how their family feels when their future has been foreclosed, when they have no job, when they have no hope, when they believe that they have been forgotten because they are a number.

We can talk about the small businesses. We have small businesses in Michigan, and they rely on manufacturing jobs in the auto industry to stay in business, because the ripple effect is not a ripple effect. It is a tsunami effect. For one manufacturing job, you will lose 7 to 10 others, and we in Michigan have felt this pain. Oh, we have felt this pain, and we have seen the cost of the restructuring that so many here seem oblivious to.

But again, we're numbers, I guess, in Michigan. We're statistics. We're involved in systems. We've been devoid of souls evidently at least by the opinion-makers and looters that have now watched the restructuring that so many of us on both sides of the aisle have watched for years.

But we're from Michigan. We did not complain. We kept our nose to the grindstone. We gritted our teeth. We suffered and endured. We endured as businesses closed, as white collar and blue collar jobs were lost. We endured as retirees worried about what would happen to their hard-earned lifetime of benefits, those legacy costs so many are so willing to shave, our senior citizens' lifetimes of hard work. They played by the rules, which bankruptcy would change.

We've heard a lot about the quality gap. We have heard a lot about the cost. I guess we should make less to be like everybody else. It's not a very attractive option for real people, but if you're a number, if you're a statistic on a sheet, this makes perfect sense. It's very logical. It's very logical unless you start to worry about the person behind the statistic, the person who will get to look amongst their Christmas cards for a layoff notice, the ones who have already had an anxious Thanksgiving as we performed our due diligence upon the executives and President Gettelfinger of the UAW and had them come in and testify.

We asked them how they got here. We asked them why they were in a restructuring now, again, as if the last several years had never happened. And I think they were productive meetings in the end. It brought us here to a bill that we believe can protect taxpayers and can help an industry that has been restructuring continue to survive.

And if a bridge loan is passed, will we be happy in Detroit? Will we be happy in manufacturing throughout America? No. And it's not because it's not the money we wanted. It's because we know a painful restructuring will continue if this bridge loan is approved.

You see, to me, this is not abstract. My son Neal, my oldest son, turned 14, he looked at me and said, hey, Dad, I know what I want to be when I grow up. I said, well, as long as it is not a Congressman, I'm okay with that, whatever it is. And he looked at me, and he said I want to be an automotive engineer. And because of the restructuring in the auto industry, because of the pain that we've had and because of the reality that our children leave us for better climates economically and otherwise, I didn't have the heart to tell my son that the likelihood of him achieving his dream of being an automotive engineer would be foreclosed to him.

And there are so many other children that grow up loving cars, who want to have that experience, and it's not just the children. It is the parents, the parents who work in the industry, white collar, blue collar, and my Republican friends, it is not just the white collar we must worry about.

I have a very interesting experience when I talk to people on my side of the aisle about UAW and their concessions. Give credit where credit is due. They've been a partner with the big three in making painful concessions. I hope one thing yet will suffice.

I once spent a freezing winter morning in front of the glass house at the Ford Company corporate headquarters in Dearborn. All those employees, those UAW members that people say don't want to work, come to work and don't want to perform, don't care about their quality of performance, I will tell you what. They stood out in 0-degree temperatures to keep the Wixom plant in my district open. That's how badly they wanted to work. That's how much they cared about the production of those cars. That's how much they loved their families.

For those who think we've not been restructuring, the Wixom plant was closed as part of a Ford Motor Company restructuring. How many more people that want to work will be precluded because we did not give them the opportunity?

We hear that the auto industry has brought it on itself. Well, that's what Washington does. Washington makes bad decisions and blames the victim. And we're not going through the painful litany of how Washington has not been as helpful as it could be, but let us suffice to say that throughout the entire restructuring process that we have endured and know will continue, we did not come here with our hand out, did we?

We did not ask the Federal Government to take over all the health care of the employees. We did not ask the Federal Government to keep the Wixom plant open. We did not ask the Federal Government to do anything but leave us alone while we continued our painful restructuring and gritted our teeth and kept our nose to the grindstone.

And now, circumstances outside of our control have led us to the point where we have to be here or there will be no domestic auto industry in the United States, and there will be no manufacturing base in the United States, and this at a time when it has been pointed out the taxpayers that work in the auto industry are watching the people at AIG talk about $4 million per person bonuses after they have been bailed out to the tune of roughly $40 billion in this last round of their dollars. But then again, when you're a statistic, when you're a number, those things don't really matter for the people who have to make the decisions.

We come here to make decisions as best we can in public policy, but the overriding goal is to serve the people that those policies affect, and in my mind, the failure of sound policies here at least gives us the chance to give these people to survive, to keep a manufacturing sector in place in the United States, and to let these working families continue to endure and grit their teeth and keep their nose to the grindstone and work and hope for the best. Because if we do not, we will be confirming that they are statistics, they are numbers, that they are worthy of bankruptcy because that's what makes economic sense, if not moral and societal sense.

And to close, I remember very well coming home after the Thanksgiving break after we had the auto industry in, and I was driving past the Jefferson plant.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mrs. MCCARTHY of New York. Mr. Speaker, for the remainder of the time, I am honored to announce that Speaker PELOSI will close.

Ms. PELOSI. I thank the gentlelady for yielding.

I rise in support of this important legislation and commend Chairman FRANK for his persistence in bringing a very focused, disciplined bill to the floor and thank Mr. BACHUS for his leadership as well.

As Speaker of the House, I am pleased to rise to quote another Speaker of the House, Sam Rayburn, a legend in our country, certainly in this Congress. He served here with great distinction, as many of us know from the history books and some of us saw as students, and he said the following. He said: When I was a child, I lived way out in the country. I'd sit on the fence on Sundays and wish to God that somebody would ride by on a horse or drive by on a buggy, just anything to relieve my loneliness. Loneliness, he said, consumes people. That's why I'm so glad to see that today farmers have cars. And he goes on to say what that progress meant in the life of developing a sense of community.

Since the days when the Model Ts first rolled off Henry Ford's assembly line owning a car has been part of the American dream. I know when I was young and when the new models would come out it was a very festive occasion. It has been for a long time. I just haven't kept up with all the cars. But today, the American automotive industry is imperiled due not only to recession and a credit freeze, but because it has been on the wrong track for long-term competitiveness and job creation.

Today, we are considering legislation not as life support to sustain a dying industry but a jump start for an industry that is essential to our country's economies, economic health. One in 10 American jobs is linked to the domestic auto industry, and it is a key pillar in an American sector critical to our national security and economic competitiveness for decades to come.

This legislation is about offering Detroit, and America, a chance to get back on track. This legislation is important. It is built on four principles, and actually it comes down to a question of tough love, tough love for an industry whose success is essential to our economic success, whose jobs are important to our workforce, whose innovation is essential to our progress, and whose manufacturing and technological and industrial base is also essential to our national security.

There are four principles in the bill. First, when we ask taxpayers to put up money to fund this restructuring, we must have accountability to the American people. The President will designate a car czar to oversee the industry's restructuring. The taxpayers get a return on their investment or are first in line to be repaid. I thank Mr. FRANK for insisting on that provision. No golden parachutes, bonuses, or corporate jets for executives. And the Government Accountability Office and the TARP, that's the Troubled Assets Relief Program, Inspector General will provide independent oversight to protect our investment. Accountability for the taxpayer.

Second, there must be shared sacrifice. Everybody, every party to the auto sector must be present at the table. Mr. MCCOTTER rightfully referenced the United Auto Workers making concessions, but they shouldn't be the only ones making concessions. I've called it a barbershop: When one person gets a haircut, everyone must get a haircut. That means those who are shareholders, those who are bondholders must have a cramdown on what return they get on the dollar. Suppliers have to understand the realities of what the market is for these cars. Dealers have to be treated with the respect that all of these elements deserve but with the reality of what the real marketplace is and what the market for the cars are. The auto workers have made concessions already. Perhaps they must be expedited, perhaps they must do more, but everything must be a shared sacrifice, and if one element is going to make the sacrifice, they shouldn't be asked to do so unless everyone shares in that. And the executive suite, the management of the companies, they must be part of that sacrifice as well, and I referenced that in the accountability section.

Third, the auto makers must restructure or repay. The companies must restructure to achieve viability, international competitiveness, and they must do this with fuel efficiency and reduced emissions.

And this is important for our colleagues who do not support this bill because we share many views. This has to be a tough standard because otherwise we're just putting out money for more of the same, but that is not what this legislation is about nor should it be. If they do not, the car czar can require immediate repayment of a loan if the company has not made adequate progress by February 15 to develop a long-term restructuring plan. The company will get no more Federal assistance if it fails to submit an acceptable final restructuring plan by March 31.

The list again, accountability, shared sacrifice, restructuring, and fourth and finally, there must be a commitment to innovation and efficiency.

□ 1945

Green is gold. Green is gold. Making a commitment to innovation and fuel economy and better emission standards makes the automotive industry in our country more competitive. People will want to buy their cars.

The legislation calls for maintaining a half billion dollars of the innovation funding set aside to help the industry retool to build advanced technology vehicles that greatly improve efficiency and reduce carbon emissions, and replenishing the remainder of the innovation funds in a matter of weeks.

Now, let me just say this. I have objected strenuously to using the green funds, the so-called 136 funds, because their purpose in our energy bill last year was very specific. It was for advanced, innovative manufacturing technology. In other words, it was for the retooling and making sure that companies had funds for them to research, develop, and benefit from that funding. The administration insisted that money be used instead for this restructuring period of time. I reluctantly agreed only with the idea that the money would be replenished, because without their advanced manufacturing technology, we are not going to have the progress necessary to compete internationally and domestically, for that matter. And most of that is about the environment. It's about the greening of the automotive industry.

I know the automotive industry can do it. Do you know, my colleagues, that in Europe this year the car that took first place in the ratings there was a GM Opel, a GM Opel, a General Motors Opel? Second place went to Ford Fiesta. Over 100 points behind them was Volkswagen. So these are General Motors- and Ford-made cars. Ranking just 1 point behind was Ford, 100 points or more behind was Volkswagen. These are American company-made cars in Europe that they have not chosen to sell in America.

Something is wrong with this picture. We know that in Latin America the flex-fuel cars for years have been sold. They were American-made cars, made by American manufacturers. Millions of them. But the industry chose not to advance them here because they made more money off of SUVs and the executive compensation and bonuses were tied to SUVs. Something is very wrong with this picture.

So what we are saying here is let everybody come to the table. Everybody get a haircut. Everybody has got to get a trim, maybe a big trim. Only then can we restructure this so that we have a competitive industry looking to the future, as Sam Rayburn looked to the future when he was so excited about seeing cars for the first time, bringing the American people together, American cars that have always been part of the American Dream.

So I'm optimistic because I see us with two choices: One is the automotive industry is on the brink, and some are advocating bankruptcy. Some of the people advocating bankruptcy will make money off that bankruptcy. But that takes us down to a deep pit that over a long period of time is detrimental to our economy, harmful to our workers, and certainly does not make us more competitive internationally.

Instead we have listened to what the companies have had to say. We said you're not going to see any money until we see the plan. We've seen the plan. It was better than what we saw before. Much more needs to be done. This affords a period of time with half of what they asked for. But we want to see performance, we want to see milestones by certain dates that they are making this progress. And we want to see a change in mentality in the executive suite in Detroit.

What a great community, what a great State, Detroit and Michigan. They have been part, again, of the manufacturing part of the American Dream. We want to throw a lifeline for success. We do not intend to afford life support so that we just have to revisit this issue again at the same status quo.

So if you're upset with how the Big Three executives have operated, if you're upset about the fact that we are not competitive internationally, if you're upset that the taxpayer dollar has to be used to be committed to this, you should be very pleased with what this legislation does because it captures your frustration with it all. It sets us on a new path to viability, and it is a test, and we will soon see in a matter of weeks if the executive suites in Detroit are willing to make the choices. Certainly there needs to be retooling of the plants. Certainly there has to be renegotiating of the contracts. There may have to be reconsideration of the management of these companies if they cannot live up to the standard of this legislation and prove themselves worthy of the taxpayers' dollar that is being placed there.

So I think that on both sides of this issue we have a great deal of common ground. I just happen to come down on the side of giving a chance, this one more chance, to this great industry, optimistic by March 31 that we will all celebrate the new path that we are going down, but certainly ready, certainly ready to admit if that does not happen because unless it is absolutely clear in the minds of the people that we are talking about, the executives, the shareholders, the bondholders, the suppliers, the dealers, all of whom I respect, and the workers, who are a very high priority for us, unless it is clear to them that concessions and serious concessions must be made or else the alternative is almost unthinkable, they will not make the necessary concessions in some cases.

I salute the United Auto Workers for stepping up to the plate, for being the model, for leading the way to say we respect this industry, we want to advance it, and we are willing to take the lead in making those concessions.

So this is an important day in the life of America when the Congress speaking for the people, who are rightfully unhappy about all of this money going to companies that are supposed to be in the free market and be competitive, but nonetheless understanding what is at risk for all of us. As keepers of the taxpayers' trust here, if bankruptcy were to occur, the additional cost in unemployment insurance and food stamps and the safety net and the revenue foregone in our tax situation, locally, State, and nationally, would exact much more of a toll than the amount of money that we would be putting forth here.

So again I salute Mr. FRANK for his leadership.

And may I say that at the end of the day yesterday, the legislation that you have before us is the legislation that we conceded on several points to agree to the White House language. This is bipartisan in its nature, and it is the legislation that we said we would go forward with in a bipartisan way that the President would sign. Others have made other changes, adjustments, whatever it is. They say on the Senate side they need this and that. But we operate in good faith. We agree to concessions. And we would hope that the White House would keep its word that it gave us last night about this legislation and encourage the Senate to follow suit and the President can sign the bill so the message will be clear to the markets and to the American people, to the workers and to all concerned with this great industry that we want to share in that sacrifice as well and we stand willing to do it by voting ''yes'' on this important legislation.

Mr. UDALL of New Mexico. Madam Speaker, with all of the rhetoric about today's loan package, it is easy to lose track of the decision we have to make. We can, as some have suggested, decide to let two of America's largest businesses go bankrupt in the coming months. If that happens, more than 2 million workers will likely lose their jobs. Communities across this country will be devastated. According to estimates, New Mexico alone stands to lose roughly 10,000 jobs. New Mexicans who ask nothing more than to work hard and provide for their families will be forced to put their dreams on hold.

Or, we can pass this bill.

Nobody disagrees that the auto industry has made mistakes. Car company CEOs have been reckless and short-sighted. While Japanese companies were rushing to produce hybrids, American companies were suing states like New Mexico to stop energy efficiency standards. While other companies were investing in the cars of the future, Big Three executives were trying desperately to turn back the clock. They refused to anticipate rising energy prices. Today, their irresponsibility threatens their companies, their employees and millions of American workers.

But we should not punish 3.3 million American workers and their families for the errors of a few executives. Yes, car company CEOs have been reckless and short-sighted. But that ends today. If this proposal passes, American car companies will trade in their Hummers for hybrids. And in the process, they will build an industry ready to compete in the 21st Century. But all these changes will not be possible unless we act now.

Unlike TARP, which I opposed, this plan tells executives that if they do not change, they will not survive. If the auto industry does not have an acceptable viability plan in three and a half months, they will not see another dime of taxpayer money. Whatever money they have received will have to be repaid immediately.

Today's vote does not spend one additional taxpayer dollar. We have already approved $25 billion to help the American auto industry build energy efficient cars. I supported that because it was necessary to force Detroit to modernize. Today's legislation simply provides some of that money right now to make sure that there is an American auto industry to modernize. More importantly, this bill provides increased oversight to ensure that taxpayer dollars help American workers and drivers, not stockholders or executives. It mandates that our money will not be spent on executive salaries, dividends or corporate jets. It institutes unprecedented controls to protect the people's money from misuse. Most importantly, it ensures that Detroit can no longer continue with business as usual.

Madam Speaker, we face great economic challenges, some of the most difficult in decades. Job reports last week showed half a million jobs lost in November alone. This is not a perfect bill; it is just the best we could get from this president. But given the current climate, we cannot afford to risk another 3 million jobs by refusing to act. That is why today I will be voting yes.

Thank you, Madam Speaker.

Mr. BLUMENAUER. Mr. Speaker, I voted to support H.R. 7321, the Auto Industry Financing and Restructuring Act, having determined that it was the best compromise given the current circumstances. I supported the restructuring because it meets the standards that I used in voting on previous bailout proposals. First, this is a relatively small sum compared to the trillions that have been devoted to stabilizing the financial industry. Second, the taxpayer is protected by the smaller sums and stricter controls employed in these loans. Finally, unlike the financial services industry, this legislation offers a lifeline to people making a real product.

Unfortunately, that real product is not of the nature and quality that Americans need and demand. The auto industry leadership is ultimately responsible for their failure. New management should be put into place, along with a new direction. It is paramount that Congress takes this opportunity to move the domestic auto industry towards greater environmental sustainability. Providing resources and direction to the automakers to accelerate the development of fuel efficient vehicles and other environmental technologies will improve the position of those companies to meet future market demands.

There is no doubt that a serious change in direction and downsizing is necessary. There will be significant management and labor concessions. This proposal will allow the United States to see the automakers' survival is possible. If the industry cannot follow through on their promises to rebuild and restructure, it is very unlikely that I will be supportive of subsequent efforts. This is their chance to demonstrate that they can and will make significant changes in a new and better direction.

Finally, I am pleased that the legislation includes a provision that protects transit agencies from the consequences of the collapse of insurer American International Group Inc. (AIG), which guaranteed many lease agreements that transit agencies entered into to pay for buses, trains and other equipment in the 1990s. During a year of record ridership, our transit agencies need these resources. For example, the transit provider in my district, Tri-Met, is reporting a 5.47 percent year to date growth in ridership—a substantial figure for such a mature transit agency. Without this provision, Tri-Met could face the loss of $200 million in FTA-approved financing.

Mr. STARK. Mr. Speaker, I rise today in opposition to yet another taxpayer funded bailout of an industry that has been poorly managed for years. I voted no when Wall Street came asking for their handout in September and I will vote no to bailing out corporations that have refused to evolve and build products that people want to buy.

The automakers are in trouble because they have been mismanaged. For years they built gas-guzzlers, stifled innovation, and lobbied against reasonable environmental and safety standards. Even when credit was flowing freely, Americans weren't buying Detroit's products.

Workers are not to blame—they have already accepted deep wage and benefit cuts. If there was anything in this bill that provided protection for those workers, then I might think differently. What I see, however, is a repeat of the September bailout scenario; a large commitment of taxpayer money with very little explanation of how these funds will address the significant problems of the industry. Indeed, the CEOs tell us that the $15 billion will ''get them through January.'' And then what?

If you want to see quality cars being made by unionized workers, go to my district. At the NUMMI plant in Fremont, UAW-organized workers build cars, such as Corollas, that people want to buy. This plant is a joint venture between GM and Toyota and has made a profit for both companies. They are not here asking for a bailout.

Let's not repeat the mistakes of three months ago by throwing good money after bad.

Mr. CONYERS. Mr. Speaker, for reasons enumerated elsewhere, I strongly support this bill. It is essential that Congress take this prudent step to provide a short-term bridge loan to help preserve a viable domestic auto industry, and its far-reaching contributions to the overall long-term health of our economy, while appropriately safeguarding the interests of American taxpayers.

The bill we are considering today contains a provision creating a limited antitrust exemption for certain consultations in which a U.S. automaker may be asked to engage with its employees, dealers, suppliers, and other creditors for the purpose of reaching agreement on a restructuring plan for the automaker under the bill. As Chairman of the Judiciary Committee, I would like to emphasize a few points regarding that provision.

The antitrust laws are the fundamental legal protector of our free market system—the Supreme Court has aptly referred to them as the Magna Carta of the free enterprise system. Exemptions from the antitrust laws can be very harmful and destructive of the basic economic freedom we cherish as Americans.

For that reason, any proposed antitrust exemption should be very carefully considered as to its need. And even if a need can be clearly demonstrated, the exemption should be carefully focused and of limited duration.

In keeping with those considerations, this exemption is temporary and very focused. It is designed to give greater assurance to the various ''interested parties''—the employees, retirees, dealers, suppliers, shareholders, and creditors of a U.S. automaker covered by this bill, listed in section 6(a)(1)(B)—who will be consulting and negotiating with the automaker in an effort to reach agreement on a long-term restructuring plan for the automaker pursuant to the bill.

Some of these interested parties are reportedly uncertain as to how their participation in these consultations might raise issues under the antitrust laws. With the urgent need to move quickly on this legislation, it has not been possible to sit down with them and understand the precise nature of their concerns. Based on similar concerns that are raised from time to time in various quarters, the concerns may well be misplaced, reflecting a lack of understanding about the antitrust laws, which prohibit only conduct that harms competition, permitting the wide range of conduct that does not harm competition.

While these concerns may be misplaced, however, they appear to be genuine and held in good faith, and could therefore have the effect of discouraging the kinds of participation that is needed from all interested parties in order to enable the restructuring plans to succeed. To help avert this risk, this antitrust exemption has been carefully crafted to provide sufficient reassurance and guidance to interested parties, while avoiding the risk of shielding truly anticompetitive conduct from effective antitrust enforcement.

First, the limited exemption covers only the discussions, consultations, and meetings among an eligible auto manufacturer and its own interested parties. It does not cover joint activity among two or more automakers, which could create more risk of harm to competition. It also does not cover action taking place outside those discussions, consultations, and meetings.

Second, the limited exemption fully preserves the authority of the Federal antitrust agencies to bring enforcement action for injunctive relief to stop anticompetitive conduct should it occur. Merger enforcement authority is also preserved.

Similarly, the so-called ''per se'' offenses, such as price fixing, market allocation, and boycott, remain fully subject to antitrust enforcement. These are not kinds of conduct that someone innocently stumbles into. They are intentional schemes to subvert competition, and can be extremely harmful to the free market system and the economy.

Third, in the event that the discussions, consultations, and meetings continue for an extended period, the exemption sunsets after 3 years. In all likelihood, the exemption will quickly prove unnecessary. If not, and if the negotiations are still ongoing as the end of the 3-year period approaches, Congress can always consider extending the sunset if the exemption is truly warranted. The sunset is consistent with the recommendation of the Antitrust Modernization Commission that any antitrust exemption should be temporary.

Finally, in order to encourage whatever further guidance may be appropriate, the provision requires that, to the extent practicable, the Federal antitrust enforcement agencies be given reasonable advance notice of any discussion, consultation, or meeting covered by the provision, and the opportunity to participate.

As carefully crafted, this provision should provide whatever guidance and reassurance the interested parties may need that their good-faith efforts to cooperate in achieving the bill's important objectives for this important bedrock American industry will not inadvertently create antitrust problems, while at the same time taking appropriate care not to inadvertently immunize truly anticompetitive conduct that could severely harm the long-term health of this industry, the many economic sectors it touches, and the American economy itself.

Mr. HOLT. Mr. Speaker, I rise today in support of the Auto Industry Financing and Restructuring Act (H.R. 7321), emergency legislation to authorize and appropriate funding to temporarily stabilize the American automobile industry.

The automobile industry provides one of the few manufacturing bases left in the United States, and approximately 3.3 million jobs in the Nation are either directly or indirectly dependent upon it. According to the Economic Policy Institute, New Jersey stands to lose 17,900 jobs if General Motors fails, and 65,000 jobs if the auto industry collapses—and an industry-wide collapse is the likely result if even one of the big-three auto makers fails. As we stand on the precipice, already facing an unemployment rate more than 6 percent, we cannot afford to stand by and watch as millions more in America join the ranks of the unemployed. It is well within the realm of possibility—some experts argue it is virtually a certainty—that allowing even one of our major auto makers to fail would send the country into a depression.

The United States is facing a virtual ''perfect storm'' with respect to the many sectors of its economy that are simultaneously in distress. One of the most damaging outcomes of this economic crisis has been that credit markets are frozen. In fact, despite the infusion of billions in funding intended to stabilize the financial services markets under the Emergency Economic Stabilization Act, EESA, enacted in October, credit markets still have not improved as of the closing days of 2008. Instead, stable banks that have received those Capital Purchase Program, CPP, funds under the EESA have tended either to retain the funds to improve their own stability or use the funds to purchase other struggling financial services entities. Had Troubled Asset Relief Program, TARP, funds under the EESA been used for the purpose the Treasury Secretary originally demanded them for—to purchase troubled assets or implement other mechanisms through which those assets could be liquidated and thus free up the credit markets—perhaps things would be different.

Under the EESA, the U.S. Comptroller General is required to report every 60 days on TARP implementation, and in its first report released last week, the GAO stated that ''Treasury has yet to address a number of critical issues, including determining how it will ensure that CPP is achieving its intended goals.'' I am not convinced that the CPP is achieving its goals, or even that the CPP program will be more effective than using TARP funds or other creative mechanisms to liquidate TARP assets would have been. In addition, the Treasury Secretary and the Bush administration have refused to use even a tiny fraction—less than 5 percent—of the TARP funds to stabilize the auto industry until the CPP has the impact of freeing up credit markets, which could then meet the auto industry's need for financing. Therefore, our major auto makers have come to Washington to ask the taxpayers for a loan.

Some commentators, and indeed some of my constituents, have argued that Congress should simply let the automakers go bankrupt. But the likelihood that that could deepen our current recession is too great, and the persons who would be punished by congressional inaction are not the ones who created the crisis, but rather the millions of people whose jobs depend on the auto industry.

Therefore, we must support the auto industry. I am pleased to see that the measure before us will provide taxpayers with an equity stake in the underlying companies, prohibit the payment of dividends to shareholders during the life of the loans, and prohibit golden parachutes and payment of bonuses to the top 25 most highly paid employees at each company. In addition, it establishes both a ''Car Czar'' to hold the companies accountable for developing and implementing sustainable restructuring plans, and oversight authority by the Government Accountability Office and the Special Inspector General overseeing the TARP rescue funds.

But my own personal request to the automakers is that they look deep inside and unearth the roots of the problems that—independently of both the current financial crisis and the legacy costs that they have faced that other manufacturers have not—have caused them to lag behind their competitors overseas. It is important for us all to remember that it was General Motors that established the Saturn Corporation more than two decades ago, with the goal of creating a manufacturing plant from scratch to build small cars of superior quality and value, combining what was then the most advanced technology with the newest and most efficient and environmentally responsible approaches to management. Indeed, within a decade, Saturn achieved those goals by producing a car that J.D. Power & Associates ranked behind only the Lexus and the Infiniti, luxury cars produced by Toyota and Nissan overseas, for customer satisfaction in 1992.

And it was General Motors, again, that developed the EV1 electronic car more than one decade ago, in response to California's then-zero-emissions requirement. The EV1 was a sleek, fast, powerful vehicle than ran on an overnight charge in the garage, and it was the much-beloved means of transportation for numerous well-known Hollywood celebrities. And yet, within a decade, the EV1 had all but disappeared from the roads and most of them—as graphically depicted in the documentary ''Who Killed the Electric Car''—were actually destroyed. If we don't understand all of the reasons why the success of GM's Saturn venture waned, or why the GM EV1 was all but wiped from the earth, we will never relaunch a sustainable auto mobile industry in this country.

But we are here today because the United States remains in the throws of a financial crisis, and it is incumbent upon the government to act. Although I regret that already-authorized TARP funds are not being used for this purpose, and that the plan before us will in part cannibalizing the very funds authorized to facilitate the efforts of the automakers to develop more fuel-efficient vehicles, I will stand firmly behind our auto industry under the conditions the leadership have negotiated, rather than let it fail and disappear. I look forward to working with the new administration to craft a more sustainable, fiscally responsible solution to this problem in the coming months.

Mr. CARNAHAN. Mr. Speaker, I rise today in favor of taking tough but absolutely necessary action to help save thousands of jobs that affect every State in our Union including my home State of Missouri. Our country is experiencing a crisis and the problems facing automakers must be fixed to help stabilize our entire economy.

Missouri has the second-highest number, along with Ohio, of automobile plants in the Nation just after Michigan, but the truth is this problem is much larger than the Big Three. A failure of the auto manufacturing industry not only directly affects the dealerships, partsmakers, those with existing car warranties, it also puts thousands upon thousands out of work—3.3 million nationwide after direct and indirect hits are factored. Our country is already facing historically high unemployment. We cannot afford to let our manufacturing industry fail; we cannot afford to lose 3.3 million more American jobs.

Missouri has already been hit hard by auto manufacturing line closures in addition to layoffs crossing all sectors of the economy. The ramifications of doing nothing would be detrimental to our Nation's already crippling economy. In my home State of Missouri, thousands of jobs are on the verge of being permanently lost. The auto industry's roots in our State's economy are far reaching. This is a necessary investment for America's future.

Realizing that as soon as next year, or even sooner, we could lose General Motors, Chrysler, and Ford is a main street dilemma that requires immediate attention and action by Congress. Without action, we are putting our Nations' economic and national security at risk. Make no mistake, the loss of the American automobile industry, will cripple communities throughout Missouri and throughout our Nation.

There have been decades of foot dragging to produce smaller more fuel-efficient vehicles right here in the U.S. while U.S. subsidiaries are producing and selling these vehicles overseas with huge success. It's time for the American people have the same opportunity to purchase these vehicles. Everyone understands that was a huge mistake and we must do everything possible to correct it.

In the past, loans to the industry have actually paid off for the American taxpayer, and this bill does everything possible to ensure this will happen again. This bill institutes safeguards to protect taxpayer dollars and promotes future financial and economic success for our country. If the automakers do not present a feasible restructuring plan to get back on the right track early next year they will be cut off.

I want to make one point clear to the auto industry: loans given to them by the American people should be used to invest in America's interests. I don't want to hear about taxpayer dollars being used to build plants overseas. We are facing record-high unemployment. We must do everything we can to put people back to work.

Besides the plant jobs, the auto part jobs, and the service industry jobs that are intertwined with their manufacturing, will be the shuttering of businesses that rely on the employment of tens of thousands in my home State alone, more than 3 million nationwide.

Bankruptcy of one or more of the Big Three poses a huge risk. Mere questions of warranty and availability of parts, could trigger the collapse of manufacturing causing deep rooted problems that affect everyone.

American innovation and engineering may be close to delivering the most energy efficient cars the world has ever known and the United States desperately needs. American innovation has been, is, and must continue to be the world's leader.

While it is evident that the Big Three have made mistakes, it's important to note that market share is not down, and overall car sales worldwide are down across the board. Other countries continue to augment their manufacturers. For years foreign manufacturers have not had to absorb escalating healthcare costs. Ironically, in the U.S. many of these foreign manufacturers enjoy a variety of tax credits and tax liability waivers.

I have met and consulted with a wide-range of Missouri stakeholders including the Big Three, suppliers, UAW members, and auto dealers. All of the stakeholders are going to have to make concessions to put together a sustainable plan for the future. It's important that everyone come together for the greater good. Everyone loses if our auto industry goes bankrupt.

This comprehensive legislation will help the struggling U.S. auto industry in the short term, while protecting millions of American jobs and taxpayers. The limited loans of $14 billion are intended to help the struggling automakers survive while they prepare plans to restructure their companies to build more competitive, fuel-efficient, and technologically advanced vehicles.

This country should not give up on our automotive industry. If the auto industry doesn't make real progress by early next year we can and should reevaluate leadership and if need be demand the repayment of loans sooner rather than later.

It's important to recognize that this problem is just one piece to a complicated economic mess. We must get the auto industry back on their feet and we must get credit in the hands of the American people so that they can receive the loans necessary to purchase the next generation of American ingenuity.

I'm hopeful Americans will again prove to the world that we can overcome competing interests and rally together for the common good.

Mrs. BACHMANN. Mr. Speaker, today Congress is about to embark upon another corporate bailout—this time for Detroit's Big Three automakers—without any assurances to the taxpayers that it won't be back for more. In fact, from all news reports, while this bailout comes with a starting price of $15 billion, Congressional leadership negotiating the deal fully expects that this is just the beginning and that taxpayers will be hit up again in the new year.

Though the already-passed $700-billion Wall Street bailout has had little to no success, Congress is about to go down this same road again. And, it appears that it does so with few qualms about the impact of its actions on hard-pressed taxpayers.

We hear promises of strict oversight and accountability measures—but who does the Congress think it's kidding?

Already two nonpartisan, independent panels have lambasted Treasury for its execution of the current bailout scheme. The Government Accountability Office's (GAO) scathing report about the Federal Government's poor oversight says it all in the title: Additional Actions Needed to Better Ensure Integrity, Accountability, and Transparency.

Why should taxpayers expect the government's oversight of this bailout be any different?

Unfortunately, the Democrat-led Congress has chosen to blindly oblige Big Labor at every turn, regardless of whether it's in the best interest of taxpayers.

They have dismissed consideration of alternative proposals that could truly restructure these companies over the long-term and help them rein in costs.

They don't want Ford, GM and Chrysler to reorganize under the protection of the bankruptcy courts, even if it would save them without a taxpayer bailout, because it means that they would actually make structural changes and renegotiate labor contracts without the threat of outside lawsuits.

The Democrats have already spent more than a trillion dollars in bailouts this year—why not a few billion more?

Mr. Speaker, the hardworking men and women in America did not sign up for this.

They did not turn over their hard-earned money to Uncle Sam just so Congress can dole it out to unaccountable companies that made poor business decisions for years.

Throwing taxpayer money at Detroit's spiraling problems will not fix their long-term management and productivity troubles and they will only be back for more time and time again.

Congress should not look the other way and put the taxpayers, and their children and grandchildren, on the hook for billions more in unaccountable spending.

Mr. ETHERIDGE. Mr. Speaker, I rise in support of H.R. 7321, Auto Industry Financing and Restructuring Act.

The automobile industry is one of the most critical manufacturers and job providers in the country and in North Carolina. Automobiles account for $690 billion, or about twenty percent of all retail sales in the United States. Over 4.5 million jobs in the United States depend on these 3 companies, and my State of North Carolina would stand to lose over 95,000 jobs with an auto industry shutdown. There are over 692 new-vehicle dealerships in North Carolina as well as hundreds of auto parts suppliers. These dealerships are often economic hubs of many of our small towns. The fallout of such a shutdown would be felt throughout all sectors of our economy and on almost every main street in America.

H.R. 7321 would provide the necessary financial assistance to keep our largest automobile manufacturers in business. Today's spiraling economy has been particularly devastating for the 3 largest automakers in the United States. Car sales are slumping sharply in the face of recession and the stagnant credit market has paralyzed these companies in the middle of their restructuring efforts. It has also left dealers unable to help finance most of their customers and move automobiles off of the lot.

H.R. 7321 would allow the President to designate one or more officers in the Executive Branch to oversee approximately $14 billion in bridge loans or lines of credit to the requesting companies. H.R. 7321 includes many taxpayer protections to help ensure that the government is repaid, including providing for stock in the company equal to 20 percent of the loan amount, and giving the government "super seniority" designation of the loans to ensure that the taxpayer is first in line to be repaid by the companies. In addition, the bill forbids bonuses or incentives for the 25 most highly paid employees in each company, and strictly prohibits "golden parachutes" during the life of these bridge loans. Furthermore, the President's designee will have a strong oversight role. The designee must establish appropriate measures to assess the restructuring plans, and evaluate the progress of each auto manufacturer within 45 days in order for loans to be approved. In order to qualify for any bridge loan, the auto company will have to submit a plan to achieve long-term viability, international competitiveness, energy efficiency, and plans for repayment of the government loan.

It is crucial that our Nation's leading automakers continue to restructure in order to meet the demands of a changing market, and to become healthier companies that can help lead American manufacturing in the future. Such healthier companies can continue to provide an economic engine to our Nation and provide innovations that can drive future growth.

I regret that these bridge loans are necessary, but today we can ill afford to risk the loss of more jobs and further damage to the economic base that our cities and small towns depend on in North Carolina and across the country. I support H.R. 7321, Auto Industry Financing and Restructuring Act, and I urge my colleagues to join me in voting for its passage.

Mr. HALL of New York. Mr. Speaker, I rise today to express my disappointment that the House has once again been forced to consider legislation to rescue some of America's most important and renowned companies. I regret the need to cast this vote, but I believe voting for this legislation is the better choice.

Congress cannot allow the Big Three automakers to go out of business. They are too important to our economy and our national security. In my district alone there are more than 3,000 jobs directly dependent on the auto industry, accounting for salaries of more than $150 million annually. The industry is a significant contributor to the tax base of New York State, which is already facing severe financial turmoil.

Beyond its economic importance, maintaining a successful domestic automobile industry is vital for the long term interests of the United States. There are certain industries which we must maintain domestically for national security reasons. During World War II, the automobile industry led the way in the conversion to a war economy by altering their manufacturing plants to make armored vehicles and tanks instead of cars and trucks. Few companies still maintain that capacity, and so for that reason alone we cannot let the industry fail.

We need to help the auto industry, but I do not believe we should be giving a blank check to anyone. That is why I appreciate the work this Congress has done to make the legislation tolerable. This is not a give away. We are voting on a loan which I expect to be paid back, and paid back with interest. It has protections for the taxpayers. As long as the loan remains outstanding, no dividends can be paid, no executive bonuses or golden parachutes can be issued and the government will receive warrants for equity value equivalent to part of the value of the loan. In addition, this loan takes legal priority over every other debt and obligation the companies face.

I am disappointed about provisions that this bill does not contain. I recognize that the presidentially appointed overseer will have a great deal of power to force specific changes in the way our Nation's auto industry does business, but I would have preferred to see many of these changes specifically tied to the loans by this legislation. For example, in their presentations last week, the CEOs of General Motors, Ford and Chrysler claimed that with these loans they will be able to meet and even exceed the increased CAFE standards Congress finally mandated last year. I believe that they should be required to do so by the legislation. It is critical that, over the coming months, Congress exercises the necessary oversight to make sure that the Big Three keep their word.

I would have liked to see clear goals that required a set percentage of products produced by the auto companies to be high-efficiency vehicles. I would have liked to see a commitment from the automakers to make hybrid technology options more prevalent and available more often. I would like to see more substantial investment made into research and development for new, greener, energy-efficient technology. Perhaps most importantly, I would have liked to see a guarantee of true reform, starting from the top, in how these companies do business and the kinds of cars they produce and sell. Taxpayer-supported companies cannot be allowed to continue the sort of ill-advised business decisions the industry has been making the last few years.

Mr. Speaker, I hope that today will be the first step towards the beginning of a new era for U.S. automakers. Congress is doing what we must, stepping in and saving the manufacturers, but we are not doing so without a commitment for genuine and long lasting reform on their part.

Mr. HARE. Mr. Speaker, I rise in support of H.R. 7321, the Auto Industry Financing and Restructuring Act.

Our country is mired in the worst economic crisis since the Great Depression. We have been in recession for well over a year. Manufacturing activity and vehicle sales are at a 26-year low. Unemployment is at a staggering 6.7 percent. Over half a million jobs were lost in November alone. Since the Bush Administration took over in January of 2001, unemployment has risen by 71 percent.

The domestic automobile industry and its blue collar workforce have been especially hard hit by this current economic crisis. Over the last several weeks, I've heard a lot of blame being passed around for the situation our car companies find themselves in. I agree with those who say the Big Three have been too rigid in their opposition to building more fuel efficient cars. I believe strongly, as many Americans do, that the Bush Administration and Congress have not done enough to create and protect American jobs. But it is not the auto executives or politicians who are suffering. It's the hard working UAW members who spend every day on an assembly line to support their family. They are the victims of corporate greed, bad business models, and government indifference. They are the reason we are here today, months after Congress adjourned for the year.

The consequences of a collapse of the domestic auto industry would be catastrophic for working families. Recession would spiral into depression. Millions of jobs would be lost. It is something we must prevent.

The bill before us gives $15 billion in conditional loans to the auto industry to help them survive over the next few months. During that time, they will be required to achieve viability, international competitiveness, fuel efficiency, and reduced emissions. The bill gives the President the authority to appoint a "car czar" who will be responsible for ensuring these conditions are met. If the car czar determines that the companies have not made themselves viable by the end of March, they will be required to pay back the government immediately. If the companies utilize this line of credit wisely and restructure into successful, sustainable operations, they will still have to pay the money back with interest, but the government will have the opportunity to turn a profit by gaining equity in these companies. Furthermore, the car czar will have the authority to prevent an automaker from closing the doors of any of its factories or from outsourcing its operations to another country, should the czar determine such an action detrimental to the viability of the company.

Like all legislation, this bill is not perfect. But it is necessary. Letting the auto industry collapse would unfairly punish America's workers for sins they did not commit.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I rise today in support of our Nation's workers. The workers who built this country following depression and war. I rise in support of this loan program for our Nation's automobile manufacturers.

Just last Friday the Department of Labor reported that employers slashed 533,000 jobs in November: the most jobs lost in 34 years. As a percentage, this figure now jettisoned our Nation's unemployment rate to 6.7 percent; the largest one-month decline since December 1974. Overall, since the start of the current recession, the United States has shed 1.9 million jobs, 1.3 million of which has disappeared in the last 4 months. In the manufacturing sector, manufacturing jobs lost in November alone come to a total of 85,000. In fact, in the last 4 months we have witnessed the disappearance of 258,000 manufacturing jobs, and since the outset of the recession last December, over half a million (604,000) manufacturing jobs have been lost.

So with regard to the question of whether or not to assist our Nation's domestic auto manufactures, given that the Big Three automakers generate one out of every 10 jobs in our Nation, merely letting these businesses go bankrupt is simply not an acceptable option. Indeed, General Motors, Ford and Chrysler account for roughly 70 percent of U.S. auto production and are estimated to support around 5 million jobs across all 50 states. And according to a report released last week by the Center for Automotive Research, the failure of even one U.S. automaker would mean the loss of millions of jobs and cost our economy hundreds of billions of dollars.

Employment for millions of hard working Americans depends on a strong domestic auto industry. And nations throughout the world, such as Japan, South Korea, and France support their domestic auto industries, so we certainly would not be creating a precedent or an unfair playing field with respect to international trade. Indeed, President-elect Obama stated just last week that "the auto industry is the backbone of American manufacturing and a critical part of our attempt to reduce our dependence on foreign oil. . . ." Given that our government recently provided a tremendous amount of financial assistance ($700 billion) to sustain our country's financial sector, I believe that to provide assistance with strong federal oversight to our Nation's automakers is critical to our workforce.

Ms. ESHOO. Mr. Speaker, I rise today in support of a bridge loan for the American automotive industry.

Last month the heads of General Motors, Ford, and Chrysler came to Congress seeking a $25 billion emergency bridge loan. They each flew to Washington on corporate jets without a credible restructuring plan for long-term viability and profitability. The message they got from Congress was, "no plan, no money."

Last week the CEOs returned to Washington with detailed plans to create new, lean, profitable, and competitive companies. Their plans include manufacturing more fuel-efficient cars and crossovers, concessions from the United Auto Workers, more streamlined companies with less brands and retail outlets, reductions in manufacturing and structural costs, as well as many other necessary elements to make the companies viable again.

Through bipartisan negotiations with the White House, the Congressional leadership has produced legislation that offers the ailing automakers a $15 billion bridge loan if they agree to strict oversight of their finances and business practices.

Many people have suggested that bankruptcy is a better option for the automakers. A recent study by an automotive research firm found that 80 percent of car buyers would switch brands if the vehicle they want comes from an automaker that has filed for bankruptcy. If the companies are forced into bankruptcy it would ultimately lead to liquidation which would lead to even more turmoil in our economy. Manufacturing facilities would close immediately. Hourly and salaried employees would lose their jobs and the small businesses that provide parts and services to the automotive industry would lose billions of dollars if the "Detroit 3" went into liquidation. These devastating losses would be felt nationwide and our economy can't afford it.

The "Detroit 3" automakers have made numerous bad decisions in the past and no one has been more critical of them than I have, but allowing them to fail would cause a chain of events felt well beyond Detroit. Job losses would occur in every sector, from the engineers needed to design the cars, to the car dealership employees that make their living selling them. According to the Economic Policy Institute, the U.S. could lose up to 3.3 million jobs if one or more of the automakers fail. The same study found that California alone could lose up to 305,900 jobs. A shutdown of the auto industry would have a catastrophic effect on an economy that is already in historic distress. That's why prudent steps must be taken to prevent this from happening.

H.R. 7321, the Auto Industry Financing and Restructuring Act will give the participating automakers a $15 billion, 7-year bridge loan at a 5 percent interest rate for the first 5 years and a 9 percent interest rate thereafter. The funding for these loans will come from $25 billion that Congress already approved in Section 136 of the Energy Independence and Security Act of 2007.

The bill incorporates strong protections and numerous oversight provisions to protect the American taxpayer. It includes the creation of a "Car Czar," a person to be appointed by the President in order to oversee the loan program. This oversight official would also have the power to negotiate with creditors, unions and other stakeholders in the restructuring process.

The car companies are barred from paying bonuses to their executives and barred from paying dividends to shareholders while the loans are outstanding. The bill also gives the government an equity stake in the companies so that taxpayers will benefit when the companies return to profit. It also mandates that the automakers submit to an audit by the Government Accountability Office and the Inspector General for the Treasury's financial bailout program.

I voted "yes" today because I believe that the stakes are too high for the economy to not do anything. Without the bridge loan to the American automakers we will put the jobs of millions of Americans at risk and impose further strife on our economy. Their failure would reverberate far beyond the manufacturing sector and a bridge loan to keep these companies viable while they restructure is necessary to protect the economy in this financial crisis.

Mr. STUPAK. Mr. Speaker, I rise today in support of H.R. 7321, the Auto Industry Financing and Restructuring Act, which would provide $15 billion in bridge loans for the Big 3 domestic automakers, to help them weather the current credit crunch and financial crisis.

These loans are critical for the survival of our domestic automakers, our manufacturing sector, and the American middle class.

One in ten American jobs are linked to the auto industry. Chrysler, Ford and General Motors support about 5 million American jobs. More than 1 million American workers and retirees are directly employed or supported by the major automakers. Two million Americans receive health care benefits through the auto industry. An estimated 3 million jobs would be lost in the first year if the American automakers collapsed—nearly three times the jobs lost nationwide this year.

The Ann Arbor-based Center for Automotive Research estimates that the collapse of the domestic auto industry would mean an estimated 2.5 million jobs lost over the next year, costing Federal, State, and local governments a total of $50 billion next year and $108 billion over the next 3 years.

In my district, the dramatic drop in demand for new cars and trucks is already taking a toll on parts suppliers and our domestic steel industry. At Cliffs Natural Resources' Tilden and Empire mines in Marquette County, reduced demand for iron ore to produce steel for the automakers has led to the layoff of 350 workers. The closure of the Dura Automotive Systems plant in Antrim County caused 300 jobs to be lost. Lexamar in Boyne City had to layoff 90 workers, Northern Tool in Mio laid off 68 workers, H&H Tube in Cheboygan closed causing 60 jobs to be lost, and layoffs at more than a dozen other suppliers to the automakers across northern Michigan are the result of the current economic crisis.

What we are debating today is not new. In 1979, the Federal Government provided Chrysler a $1.5 billion loan. Chrysler paid back the full amount with interest in 4 years, and operated successfully for 2 decades because of this assistance.

Why are some of my colleagues so willing to spend more than $700 billion to help Wall Street, but so hesitant to assist an industry that creates so many middle-class jobs?

According to data analyzed by ABC News, in 2007, Wall Street's five biggest firms—Bear Stearns, Goldman Sachs, Lehman Brothers, Merrill Lynch, and Morgan Stanley—paid a record $39 billion in bonuses to themselves.

Those 2007 bonuses were paid, even though the shareholders in those firms last year collectively lost about $74 billion in stock declines—their worst year since 2002.

If split equally among the approximately 186,000 employees at the former Big Five Houses, that bonus money means an average of $201,500 per employee—almost six times the $34,076 median household income in my district last year.

Instead of preserving $200,000 bonuses, Congress should be preserving American middle class jobs.

In addition, the legislation we are considering today has greater oversight and stronger taxpayer protections than the Wall Street bailout.

There were four main principles that should have applied to the Wall Street bailout: transparency and accountability; no windfalls or golden parachutes for executives; strong oversight by Congress; and effective taxpayer protections. The Wall Street bailout final bill did not contain these safeguards.

The auto loan legislation Congress is considering today provides greater transparency, stronger restrictions on executive compensation, tough oversight provisions, and more taxpayer protections.

This legislation requires a commitment on the part of auto executives, employees, labor unions, dealers, suppliers, creditors and shareholders to participate in the restructuring efforts that will ensure the long-term viability of an industry that helped create this Nation's middle class.

The jobs of millions of middle-class Americans and the pensions and benefits of millions more depend on a vibrant domestic auto industry.

The automakers are not asking for a handout. They are asking for a loan, which in the current credit crisis only the Federal Government can provide.

This legislation includes strong protections for the taxpayers and I have every confidence the loans will be paid back with interest and the result will be a stronger auto industry and a stronger American economy.

As the automakers implement restructuring plans and the economy improves, these loans will have laid the groundwork for the recall of laid-off workers and the creation of new jobs.

Doing nothing is not an option. Inaction by Congress would cost the American taxpayers more than this legislation.

I urge my colleagues to vote "yes" on this important loan assistance for the automakers, to preserve middle-class jobs and improve our economy while protecting taxpayers!

LAYOFFS/CLOSURES IN MI–01 IN 2008

Company	City	Date	Accident type	Layoffs
Jacquart Fabric Products, Inc.	Ironwood	1/29/2008	Mass Layoff	11
Citizens Bank	Hancock	4/9/2008	Mass Layoff	21
Khoury Furniture	Kingsford	9/9/2008	Mass Layoff	7
Fayas and Sons	Kingsford	10/22/2008	Plant Closing	12
Lloyd/Flanders	Menominee	11/5/2008	Mass Layoff	7
Cleveland-Cliffs (Tilden Mine)	Ishpeming	11/7/2008	Mass Layoff	200
Cleveland Cliffs (Empire)	Negaunee	11/7/2008	Mass Layoff	151
Pardon, Inc.	Gladstone	11/24/2008	Mass Layoff	10
Engineered Machine Products	Escanaba	11/24/2008	Mass Layoff	20
Bill Burton & Sons	Newberry	3/25/2008	Plant Closing	14
Sault Tribe of Chippewa Indians	Sault Ste. Marie	8/11/2008	Mass Layoff	75
H & H Tube	Cheboygan	1/7/2008	Plant Closing	60
Cooper Standard Automotive	Gaylord	8/28/2008	Mass Layoff	8
Northern Tool	Mio	10/30/2008	Plant Closing	68
Lexamar Corp.	Boyne City	2/22/2008	Mass Layoff	90
Maverick Metal Stamping	Mancelona	3/19/2008	Plant Closing	40
Dura Automotive Systems	Mancelona	4/1/2008	Plant Closing	300
Traverse Bay Manufacturing	Elk Rapids	7/14/2008	Plant Closing	25
Odawa Casino	Petoskey	8/19/2008	Mass Layoff	69
Manthei, Inc.	Petoskey	8/25/2008	Mass Layoff	14
Charlevoix Manufacturing Co.	Charleviox	8/25/2008	Mass Layoff	18
Northern Michigan Review	Petoskey	9/12/2008	Mass Layoff	11
East Jordan Iron Works	East Jordan	10/16/2008	Mass Layoff	41
Anchor Danley	Bellaire	11/20/2008	Mass Layoff	12
Sure Shift Transmissions	Kawkawlin	3/27/2008	Plant Closing	5
Magline, Inc.	Pinconning	5/27/2008	Mass Layoff	5
Tubular Metal Systems	Pinconning	8/6/2008	Mass Layoff	11
Total layoffs				1,305

This list is based on data from the State of Michigan, regional labor centers and media accounts. It should not be considered comprehensive.

Mr. LANGEVIN. Mr. Speaker, I rise in support of H.R. 7321, the Auto Industry Financing and Restructuring Act. It is clear that the auto industry itself carries a great deal of responsibility for the crisis it faces today, due to an inability or unwillingness to take the steps necessary to compete in a 21st century market. Nonetheless, I recognize the urgency of extending federal loans to Detroit's automakers, as their collapse could trigger massive job losses and ripple effects throughout a wide range of industries. One in ten American jobs is linked to the domestic auto industry, and it is estimated that as many as 10,000 jobs could be affected by its failure in my home state of Rhode Island.

To win my support, it was imperative that this bill place strict conditions and requirements on the automakers receiving assistance, and I believe it meets that test. These companies will have to submit a final and acceptable long-term restructuring plan by March 31, 2009, and if adequate progress has not been made by February 15th, 2009 on efforts to stabilize the auto industry, the companies will be forced to repay their loan. Their restructuring plans must show how the companies will achieve long-term viability, international competitiveness and energy efficiency. Furthermore, upon enactment of this bill, the administration must immediately appoint a "car czar" to monitor the progress of these plans. This designee will also have veto power over company expenditures of more than $100 million. H.R. 7321 also demands accountability to taxpayers by banning golden parachutes to company executives, bonuses for the 25 most highly paid employees, and corporate jets. Finally, a company may not pay dividends to shareholders over the duration of the loan.

Mr. Speaker, our domestic car manufacturers have made some unwise business decisions in the past. However, the fall of the U.S. auto industry would be a devastating blow to our already fragile economy, impacting millions of workers and countless businesses, large and small. Today, we have the opportunity to give these companies a chance for survival and to point them in the right direction for our future needs as a country, which includes a strong manufacturing base for fuel-efficient vehicles. I encourage my colleagues to vote for H.R. 7321 and in support of the future of our country's auto industry.

Mr. WILSON of South Carolina. Mr. Speaker, I think it is reasonable to assume that I am not alone when I say that my office has been contacted with hundreds of phone calls and e-mails asking Congress not to spend billions more to bailout the Big 3 American automakers. Congress has already asked the American taxpayer to stomach a $700 billion package of economic relief aimed at unfreezing the credit markets. It is wrong to ask American families to trust that billions in bailout relief for three specific companies will do anything but cement a dangerous and expensive precedent for future big government spending and control of a vital industry in America.

In fact, at this time the credit markets have not been unfrozen after the onslaught of this recent economic downturn, and I hope Congress, this current administration, and the incoming administration will ensure that the programs we have passed into law already are implemented and reviewed. Recent reports of a failure to adequately utilize the oversight mechanisms outlined in the economic rescue package are troubling. The taxpayers deserve to know that we are following the letter of the law.

Nevertheless, the debate today is on whether we should give $15 billion dollars to help shore up the books of General Motors, Ford, and Chrysler. The primary argument that continues to be made in support of this bailout is predicated upon the claim that bankruptcy is not an option. Never mind that other companies and industries—most notably the members of the airline industry—have successfully emerged from bankruptcy stronger, more agile, and successful. We have a bankruptcy process in place, the sole purpose of which is to deal with circumstances similar to those that GM, Ford, and Chrysler face. Unfortunately, in typical Washington fashion, Congress wants to reinvent the wheel and create a new process and a new bureaucratic office in the form of a "Car Czar." Such a redundant proposal would be slightly less harmless were a $15 billion taxpayer funded price tag not tacked onto it. But it is.

The bankruptcy process that already exists does not spell the end of a company or the loss of every one of their jobs. The scare tactics that have been spread around that without this multi-billionaire bailout, the American auto industry would disappear is just not the case. In fact, bankruptcy procedures would allow the companies to restructure to make them competitive in the global market. Bankruptcy is never an ideal situation for any company but it is far more preferable to spending billions of taxpayer dollars and ceding control to big government.

It should be noted that opposition to this massive bailout is not a commentary on my or my colleagues' support for the American auto industry. We represent American automotive dealerships, American automakers, parts manufacturers, the people they employ, and in many instances, we own American automobiles. We want to see these companies prosper, build the future fleet of automobiles for the world to drive, and continue to employ millions of hardworking Americans. What many of us are unwilling to accept is the suggestion that taxpayers need to be signing the check to keep particular businesses in a particular industry afloat when there is a sound, bankruptcy process already available.

It is clear from every angle that the American auto industry needs to make some dramatic changes to their business model and to the current agreements they have with the unions who represent their employees. These changes will make them financially stronger and more competitive. It will help protect current and future employees. They can accomplish this without a taxpayer funded bailout, and it would be unwise to betray the interests of American taxpayers by choosing to simply throw money at the problem.

Mr. EHLERS. Mr. Speaker, I rise to honor the life and service of William Spoelhof, president emeritus of Calvin College in Grand Rapids, Michigan. He was born in 1909 in Paterson, New Jersey, and passed away on December 3, 2008, at the age of 98.

William Spoelhof graduated from Calvin College in 1931, and began teaching history and civics at the secondary level. He received his masters of arts degree from the University of Michigan in 1937, and began his doctoral studies there.

During World War II, Mr. Spoelhof enlisted in the U.S. Navy, and served our country in the Office of Strategic Services. Following the war, he completed his doctoral work, and went to Calvin College to teach history and political science in 1946.

After becoming president of Calvin College, Dr. Spoelhof oversaw the process of moving Calvin College from its original Franklin Street campus, located in urban Grand Rapids, to its current Knollcrest campus in southeast Grand Rapids.

Dr. Spoelhof carefully balanced the college's vision for excellent academics with its relationship with the Christian Reformed Church, as he effectively steered the college through occasional church conflicts and the tumultuous, nation-wide student protests of the 1960s.

In 1976, Dr. Spoelhof announced his retirement after 25 years, the longest serving president in Calvin College's history. After his formal retirement, he was named president emeritus and maintained an office and steady presence at the College, offering continued support and goodwill whenever needed.

Dr. Spoelhof was a Christian role model and mentor to many faculty members, staff and students, as he provided wisdom and counsel to thousands during his more than 8 decades of service to Calvin College.

On a personal note, Dr. Spoelhof recruited me from the University of California at Berkeley to teach physics at Calvin College. I am deeply grateful for his guidance and for leading me to teach at a wonderful, Christian liberal arts college.

Dr. Spoelhof is fondly remembered for his contributions to daily discussions with retired faculty and students at the ''Emeritorium'', and for his kind words to passers-by around the campus.

In 1935, William Spoelhof married Miss Angeline Nydam, and they had three children, Robert Spoelhof, Elsa Scherphorn, and Peter Spoelhof. Ange, as Dr. Spoelhof lovingly called his wife, passed away in 1994.

Dr. Spoelhof lived a life of gratitude, and desired to bring God glory in all he did. On December 3, 2008, the Calvin College community lost a visionary leader and wise friend. He is to be honored and recognized for his outstanding devotion and service as a member of the military, a Calvin College professor, and president and friend.

Mr. TIAHRT. Mr. Speaker, no one wants to see the auto industry fail. I don't want to see this. This would result in millions of job lost. I don't, however, believe this is the right approach for the long-term viability of the American auto industry and the sustainability of millions of American workers.

In October, the Treasury Secretary came to Congress asking for a $700 billion blank check for the financial industry. I said then and I repeat today, a quick bailout fix might work for a short time, but it may not be long before we are asked again for more tax dollars. In fact, some have said the $15 billion being given to the auto manufacturers will get them through to March 2009. Then what? A quick bailout fix might work for the short term, but without addressing the underlying problems, we will be asked again for more tax dollars.

We cannot keep passing bailout after bailout without fundamental reforms to help American workers and businesses achieve long-term prosperity. The plan offered today offers more government involvement instead of incentives for private-sector solutions. We are placing risks on the American taxpayer that private investors are not willing to take. Furthermore, this bill does nothing to address economic competitiveness barriers faced by the American automotive industry.

I also strongly oppose the job-killing provision contained in this bill that would ban these automakers from leasing or owning business jets. The use of business jets by company leaders is not why the U.S. auto industry is in financial trouble. This provision is a symbolic slap in the face to more than 1.2 million workers spread across every State whose jobs depend on general aviation. Banning our automakers from leasing or owning jets makes as much sense as asking them to stop using BlackBerrys and laptops—tools that have made us the most efficient and productive workforce in the world.

I remain committed to working for a long-term solution with Democrats and Republicans who are willing to put the good of our country ahead of short-term fixes. It's the right thing to do.

Mr. HERGER. Mr Speaker, I rise in opposition to this legislation. The truth is that the ''Big Three'' didn't get into this position overnight. They are suffering from decades of poor management decisions, uncompetitive labor agreements, and failure to stay at the cutting edge of innovation. And while this bailout may provide some short-term relief for these companies, it doesn't fix their fundamental problems.

My constituents want to know why their tax dollars should be used to bail out companies that haven't been willing to make the necessary changes to stay competitive. They also want to know where we will draw the line. Lots of businesses are hurting because of this recession. How many more bailouts will they be asked to pay for? We all know that this $14 billion is only the first installment. Until these companies are thoroughly restructured and modernized, they will just keep coming back for more taxpayer money.

As a member of the Ways and Means Committee, I'm also concerned by the last-minute inclusion of a provision that requires the federal government to insure certain leases that the IRS has ruled are illegal tax shelters. Taxpayers who play by the rules certainly don't want to see a bailout for agencies that participated in questionable tax deals. The collapse of AIG does raise some difficult issues, but this provision needs more consideration and should not be in this bill.

Mr. Speaker, this is an all-around bad deal for the taxpayer. I urge my colleagues to vote ''no.''

Mr. SKELTON. Mr. Speaker, since World War II, America's middle class has been built and strengthened by the auto industry—not just by the companies that make cars and trucks but also by those that make parts for them. In Missouri, the auto industry is particularly important to our economy, creating hundreds of well paying jobs in Kansas City and St. Louis, and in smaller towns like Sedalia and Versailles.

Sadly, because of a variety of conditions that have been made worse by the global credit crisis, the auto industry has fallen on terribly difficult times and is on the verge of collapse. The urgency of the automakers' troubles has prompted our debate today in Congress.

The auto industry is unique in our country and must be given a chance to restructure and become more viable into the future. Without assistance, the industry will likely fail and millions of jobs will be in jeopardy.

Today's legislation has been carefully written with views incorporated from Congressional Republicans and Democrats and from the President. It would provide immediate help to the auto industry and its employees while simultaneously forcing them to become leaner, greener, and more competitive in the 21st century.

The bill would authorize a loan of up to $15 billion to the car companies in exchange for their promise to draw up more realistic business plans. To ensure the industry restructures according to the law, a powerful ''car czar'' would manage the process and have a great deal of authority with respect to lending money and recalling loans, if necessary.

The bill would further protect taxpayers by allowing them to profit from a participating companies' recovery and by requiring that the government be repaid before other lenders. It also would prohibit auto company shareholders from earning dividends during the life of the loans, would ban excessive corporate pay and the ownership of private aircraft by auto companies, and would require strong, independent oversight by the nonpartisan Government Accountability Office.

I am unhappy that we find ourselves considering a loan of such magnitude to America's auto industry. But, after careful consideration and review, I am convinced that inaction by Congress would be far more catastrophic to American workers, to the fragile economy, and to our country.

Mr. CONYERS. Mr. Speaker, I rise in support of H.R. 7321. With this vote today, the Congress is acting decisively to protect American auto workers and dealers in every Congressional district in the country and sets Detroit on the path to near-term and long-term economic viability.

We cannot forget that the auto industry is the backbone of our domestic manufacturing sector—the very sector which drives our economy. Additionally, should one or more of the Big Three automakers fail, it would mean the loss of more than 100,000 jobs directly associated with the industry in my home state of Michigan and more than 3 million jobs around the country indirectly associated with the industry, such as auto dealers and auto part suppliers.

At the same time, I and my fellow Members in the Congress are wary of bailing out or rewarding companies that have so often pursued their own interests at the expense of the public good. Whether it was fighting to undermine more demanding fuel efficiency standards or dragging their feel when it came to developing electric car and hybrid technology, the Big 3 are in a large way responsible for the predicament they find themselves in today.

Now, the executives of Big 3 have come to Capitol Hill, not as titans of industry, but as caretakers of uncompetitive behemoths on the verge of collapse. They are in no position to make demands of the American people and the aid offered by the Congress today reflects that reality.

I believe that the aid package offered to the Big 3 here today extracts real, tangible, expansive reforms from the industry. With this bill we are sending a clear message to Detroit: If you are to survive, you must dramatically alter your business models, slim your corporate structure, spin off unprofitable lines, invest in the technologies of the future, and, above all else, cease producing the gas-guzzling steel chariots of the past. There is no alternative to these reforms. This bridge loan will only work if it truly serves as a bridge to the future and not as a cushion slowing inevitable decline.

Over the last month, there has been much discussion about the need for a strong central figure to oversee the dramatic changes being undertaken by the auto industry. I called for the creation of such a position and I am heartened to see that an auto czar-type position is established with this legislation.

If Detroit does its part, the Congress can and will do much to make the American auto industry the world and industry leader it once was. The $25 billion authorized in the 2007 Energy Bill and appropriated by the Congress to retrofit the Big 3's aging factories was a step in the right direction. It was my hope that this money would be left untouched during the current debate, so that it could continue to further the original purposes the Congress intended. I remain hopeful that the $15 billion appropriated for the auto companies in this Act will be refunded when we return in January with a larger Democratic majority and a change-minded new President.

Let me be clear—this bill is far from perfect. I would have preferred that a provision that mandates that bridge loan recipients withdraw from their suit against California's higher tailpipe emission standards remain in the bill. Stripping this provision will accomplish little. As my colleagues in the upper body, Senators DIANNE FEINSTEIN of California and BILL NELSON of Florida, have noted, GM and Ford have laid out business plans indicating that they intend to outperform the California fuel economy standards within a few years anyway. The fact that blocking these suits would have absolutely no effect on the Big 3's bottom lines makes these taxpayer subsidized lawsuits even more outrageous.

I also think we must acknowledge the failures in leadership which have contributed to the dire straits the Big 3 find themselves in at this time. The New York Times and others have called for the resignation of the Big 3's CEOs, citing their complicity in the current crisis and their lack of foresight and competitive instincts. I support this call because even now, there is tremendous evidence that the leadership of the Big 3 just doesn't get it.

Just today, in an interview on Fox News Channel, GM Vice Chairman Bob Lutz stated that Americans want more sports utility vehicles and large pickup trucks and that small vehicles are a bad investment.

I strongly encourage the "Auto Czar," or "President's Designee" as it is referred to in this legislation, to push for the removal of any and all executives at the Big 3 who stand in the way of a greener, more fuel efficient auto industry.

Finally, it should not go unnoticed that during the final legislative debate overseen by the 43rd President of the United States, the current Administration chose to fight tooth and nail against strong measures aimed at furthering the fight against global warming and promoting energy independence. We are only here today because Treasury Secretary Paulson could find $300 billion to invest in Wall Street financiers who manipulated securities and other financial tools for a living, but couldn't find $15 billion to help working men and women who create products made and consumed here in the United States of America. Instead of gracefully acknowledging the will of the American people, this lame duck President yet again fought against progress. It is a fitting reminder of the politics that we leave behind with this vote today and, hopefully, of the brighter days that await us.

I encourage my colleagues to support the bill.

Mr. GARY G. MILLER of California. Mr. Speaker, please let the record reflect that had I been present to vote on final passage for H.R. 7321, the Auto Industry Financing and Restructuring Act, I would have voted "nay." This bill is a vague and ambiguous attempt to restructure the domestic auto industry and lacks the specificity necessary to protect taxpayers. This bill does nothing to guarantee that once domestic automakers receive billions of dollars in taxpayer money that they will become independent of government funding.

The bill was introduced after 11 a.m. on December 10, 2008. However, the House began consideration of the bill at 2:30 p.m. the very same day. It is unreasonable to expect Members of Congress to take their first vote in less than five hours after a bill has been made public. If this language would have been made available at least 24 hours before being voted upon, I would have had adequate time to travel to Washington to cast this important vote. This is not the "open and fair government" that Democrats have promised.

Other than being in Washington waiting for last-minute legislation to be introduced and voted on, Members of Congress have additional responsibilities and other obligations to their constituents that are just as important. This week, I have been in my district meeting with my constituents on various issues including ongoing international conflicts.

I am disappointed and appalled that Democratic leadership has treated American taxpayer money in such an irresponsible manner.

The SPEAKER pro tempore. All time for debate has expired.

AMENDMENT OFFERED BY MR. LATOURETTE

Mr. LATOURETTE. Mr. Speaker, I have an amendment at the desk that I am offering with my good friend AL GREEN of Texas made in order under the rule.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment printed in House Report 110–922 offered by Mr. LATOURETTE:

SEC._ NEW LENDING THAT IS ATTRIBUTABLE TO TARP INVESTMENTS AND ASSISTANCE.

Section 7(a) of the Federal Deposit Insurance Act (U.S.C. 1817(a)) is amended by adding at the end the following new paragraph:

"(12) LENDING INCREASES ATTRIBUTABLE TO INVESTMENT OR OTHER ASSISTANCE UNDER THE TROUBLED ASSETS RELIEF PROGRAM.—

"(A) IN GENERAL.—Each report of condition filed pursuant to this subsection by an insured depository institution which received an investment or other assistance under the Troubled Assets Relief Program established by the Emergency Economic Stabilization Act of 2008 or section 136(d) of the Energy Independence and Security Act of 2007 shall report the amount of any increase in new lending in the period covered by such report (or the amount of any reduction in any decrease in new lending) that is attributable to such investment or assistance, to the extent possible.

"(B) ALTERNATIVE MEASURE.—If an insured depository institution that is subject to subparagraph (A) cannot accurately quantify the effect that an investment or other assistance under such Troubled Assets Relief Program has had on new lending by the institution, the insured depository institution shall report the total amount of the increase in new lending, if any, in the period covered by such report."

The SPEAKER pro tempore. Pursuant to House Resolution 1534, the gentleman from Ohio (Mr. LATOURETTE) and a Member opposed each will control 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, in very shaky opposition, I start out claiming the time, but I am open minded on the subject, so I claim the 5 minutes.

The SPEAKER pro tempore. The gentleman from Massachusetts will be recognized in opposition for 5 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. LATOURETTE. I thank the Chair for his wholehearted opposition to the amendment.

Basically a couple things. I want to thank the chairwoman of the Rules Committee, Ms. SLAUGHTER, for making this rule in order and give a shout out to BETTY SUTTON, my fellow Ohioan who is on the committee that advocated that this be made in order. And I don't know if the Speaker is still on the floor, but, Madam Speaker, you can now take credit that this was the only amendment offered. It's made in order. You have a complete open rule on this piece of legislation; so it's a day of celebration.

The way this came about is to date we have given away about $335 billion of TARP money, a bill that I opposed along with a number of my colleagues, and the intended purpose doesn't appear to have happened. People aren't being kept in their homes. People have to have perfect credit scores to buy a car, and they're using the funds, some banks, to buy other banks. In Cleveland, PNC will use $7 billion to buy National City Bank.

This amendment is simple. Chairman FRANK has had excellent oversight hearings, but the fact of the matter is the answer we are getting from Treasury is there's no way to track this, and they say the bankers come in and say, sure, we're going to spend the money the way we are supposed to, but nobody knows. It's inconceivable to me that we can't figure out where the money is going and they can't be made to certify that they're spending it for what we thought they would spend it for. So I called Chairman FRANK, and I said can we get this done? And he said, well, find AL GREEN. And I called AL GREEN, and we worked together on a stand-alone bill. This may be the last day we're going to be here until the next administration comes in. I think we need to know where the 335 went before January 20.

So knowing this legislation was coming up, we drafted an amendment, AL GREEN and I, and we are going to introduce a stand-alone bill tomorrow, I guess. But it basically says that if you've taken $400 billion of TARP money, you have to certify on your quarterly report that you've engaged in new lending and show us how you've done it and if not, why not. And it's a reasonable amendment. I urge support.

Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, as evidence of my open-mindedness here and being willing to listen, I will yield 2 minutes to our very able committee colleague and cosponsor of this amendment, Mr. GREEN.

Mr. AL GREEN of Texas. Thank you, Mr. Chairman, for yielding. And I especially thank the chairman for the outstanding job that he's done on the broader bill. I thank Mr. LATOURETTE for the service that he has rendered with reference to putting this amendment together. While I take a small amount of assurance in knowing that I may have been there, it was really his stalwart work that made the difference in getting the amendment through.

Mr. Speaker, I am honored to say that this amendment is one that should please persons on both sides of the aisle. Today in the Financial Services hearing there was much talk about transparency and talk of how we should be able to acquire the empirical evidence to ascertain whether or not new lending is taking place. This piece of legislation, this amendment, will, in fact, allow us to get some idea as to what's happening with the money as it relates to transparency.

So I thank the chairman for allowing this opportunity to speak on the amendment, and I thank Mr. LATOURETTE for his outstanding work on the amendment.

Mr. LATOURETTE. Mr. Speaker, at this time before I yield to my next speaker, I just want to say that Mr. GREEN is hiding his light under a bushel basket. His assistance in the drafting of not only this amendment but also the stand-alone legislation was invaluable, and I appreciate Chairman FRANK putting the two of us together.

Mr. Speaker, at this time it's my pleasure to yield 1 minute to my colleague from Cleveland, Ohio, Congressman KUCINICH.

Mr. KUCINICH. Mr. Speaker, I rise in support of the LaTourette amendment.

Transparency is vital to the success of the congressional action with the TARP, and we know that when Congress intended to get help for consumers, unless you have transparency, you don't know if consumers are actually going to be helped. The LaTourette amendment resolves that question. I thank him for introducing it, and I urge its approval.

Mr. LATOURETTE. Mr. Speaker, at this time it's my pleasure to yield 30 seconds to the distinguished ranking member of the Financial Services Committee, Mr. BACHUS of Alabama.

□ 2000

Mr. BACHUS. Mr. Speaker, in the capital injection program, the bank signed a statement that they will use the money for the purpose intended, and that purpose is to lend. This amendment will give an assist to that.

They are not lending. They should lend. They were given money to lend. They have signed a document that they will lend, and this will go a long way towards ensuring that. So I rise in support of the amendment.

Mr. LATOURETTE. I don't have any further speakers, and I would just yield myself the balance of the time and indicate that I think it's a good amendment.

Listen, we were told, even though I didn't support the TARP Program, we were told, it was advertised as this money was going to free up credit, free up interbank lending, help people buy cars, help people who are subject to foreclosure stay in their homes. Just today, on the front page or in the business section of the Wall Street Journal, one of the companies that has received billions of dollars is now engaged in about $10 billion of speculative losses rather than doing the intended purpose.

All this amendment says is until the Obama administration gets in place, in fact, they have to file, on their report, on December 30, that if they took money, if they wanted to participate—nobody put a gun at their head and said you have to participate—but if you participate in the program, and you take billions of dollars from the taxpayer, you have to demonstrate that you are engaged in new lending. That's all there is to it.

In the brief amount of time that I have left, I would just ask the chairman a procedural question.

I think it's a good oversight vote that every Member would want to be recorded on. I am mindful of people wanting to catch airplanes. Do you think we should have a recorded vote on this or not?

Mr. FRANK of Massachusetts. If the gentleman will yield, yes, we will have a recorded vote on this.

Mr. LATOURETTE. Perfect.

I yield back the balance of my time, urge support of the amendment and thank Mr. GREEN for his help.

Mr. FRANK of Massachusetts. I believe I have 3 minutes remaining?

The SPEAKER pro tempore. The gentleman has 3½ minutes remaining.

Mr. FRANK of Massachusetts. Well, I intend to use the 3½ minutes to speak enthusiastically for this amendment now for a couple of reasons.

First, the merits of the amendment. We were told by the Treasury Department that they would get more lending done. Some people unfairly said that the bill we passed didn't have good oversight. It had a number of pieces of oversight, including the best oversight you can have in this Federal Government, the Government Accountability Office, an outstanding organization.

We worked with them, and they were there on the first day of this program. We had a briefing with them. They have given us a report, and the report said that Treasury was not doing a good job of seeing whether the people who received the capital injections were, in turn, lending.

We heard that anecdotally, we got a confirmation that Treasury wasn't measuring. What particularly distressed me was Treasury didn't say, well, you don't understand how hard it is. Treasury said, you are right, we are not going to try, that we will judge the overall success of the program without doing that.

Now, I will give Mr. Kashkari credit. Today, at a hearing we held—and we called a hearing just to deal with this issue—he indicated they now do plan to do it. But I think given the initial reluctance, this amendment is very important.

For Members who voted for the TARP and want to see that vote vindicated, you need to vote for this amendment, because it makes it valid. But there is one other thing you have to do. Let me ask you another procedural question. This is the last train out of the legislative station this year.

So I would advise Members, if you believe that we need to put pressure on the Treasury to have the TARP do more lending, you have to do two things. You have to vote for the LaTourette amendment, but then you have to vote for the underlying bill. Because I would advise Members, if you vote for the LaTourette amendment, and you then vote against the bill, Mr. Speaker, I would caution Members going back to their districts and taking credit for having voted for an amendment into a vehicle which they then crashed into the sea.

So the only way the LaTourette amendment will have any effect, and I hope it will have effect because it's important, is if the bill to which it is about to be attached passes.

So I congratulate the gentleman on an extraordinary amendment. I am envious that I didn't think of this strategy to help get the bill passed, but I will acknowledge my strategic better in this case. That may sound ironic, but it's the case.

If you vote for the LaTourette amendment—which I think does a very important job of improving the TARP—and you then vote against this bill, you have completely and totally negated it.

Now you may, Mr. Speaker, have Members here who find it of value to be on both sides of this issue, to take credit for improving the TARP in theory, but disimproving it in practice, but I would hope that most of us would not want to be in that position. So I urge Members to vote for this, and having voted for this important thing, the gentleman is right, the gentleman from Ohio, he did put it in a separate bill. But that separate bill is not going anywhere.

There will be no further legislative work. So if you believe that we need to have the banks who have not been lending, and who have received part of the TARP, relend, vote for the amendment, and vote for the underlying bill.

The SPEAKER pro tempore. Pursuant to House Resolution 1534, the previous question is ordered on the bill and on the amendment by the gentleman from Ohio (Mr. LATOURETTE).

The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRANK of Massachusetts. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 403, noes 0, answered ''present'' 1, not voting 29, as follows:

[Roll No. 689]

AYES—403

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Cazayoux
Chabot
Chandler
Childers
Clarke
Clay
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Deal (GA)
DeFazio
DeGette
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Drake
Dreier
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellsworth
Emerson
Engel
English (PA)
Eshoo
Etheridge
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foster
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gillibrand
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Granger
Graves
Green, Al
Green, Gene
Grijalva
Hall (NY)
Hall (TX)
Hare
Harman
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
LaHood
Lamborn
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Welch (VT)
Weller
Westmoreland
Wexler
Whitfield (KY)
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wittman (VA)
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

ANSWERED ''PRESENT''—1

Campbell (CA)

NOT VOTING—29

Cleaver
Costa
Cubin
Delahunt
Doolittle
Ellison
Emanuel
Everett
Gilchrest
Gordon
Gutierrez
Hastings (FL)
Hooley
Johnson, E. B.
Keller
Kuhl (NY)
Miller, Gary
Nunes
Peterson (PA)
Pryce (OH)
Renzi
Rohrabacher
Saxton
Sensenbrenner
Snyder
Tancredo
Walberg
Watson
Weldon (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 2027

Mr. FLAKE changed his vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BACHUS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 237, noes 170, answered ''present'' 1, not voting 26, as follows:

[Roll No. 690]

AYES—237

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Buyer
Camp (MI)
Capito
Capps
Capuano
Carnahan
Carney
Carson
Castle
Castor
Cazayoux
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards (MD)
Edwards (TX)
Ehlers
Ellsworth
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Foster
Frank (MA)
Frelinghuysen
Fudge
Gillibrand
Gonzalez
Green, Al
Green, Gene
Grijalva
Hall (NY)
Hare
Harman
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hoyer
Hunter
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (NY)
Klein (FL)
Knollenberg
Kucinich
LaHood
Lampson
Langevin
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lewis (KY)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Matsui
McCarthy (NY)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Perlmutter
Pomeroy
Porter
Price (NC)
Ramstad
Rangel
Regula
Reyes
Richardson
Rogers (MI)
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Solis
Souder
Space
Speier
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walsh (NY)
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (AK)

NOES—170

Aderholt
Akin
Alexander
Bachmann
Bachus
Barrett (SC)
Bartlett (MD)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Boyd (FL)
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Cannon
Cantor
Cardoza
Carter
Chabot
Childers
Coble
Cole (OK)
Conaway
Cooper
Crenshaw
Culberson
Davis (AL)
Davis (KY)
Davis, David
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Drake
Dreier
Duncan
Fallin
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Hobson
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Kagen
King (IA)
Kingston
Kirk
Kline (MN)
Lamborn
Latham
Latta
Lewis (CA)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Marchant
Marshall
Matheson
McCarthy (CA)
McCaul (TX)
McHenry
McIntyre
McKeon
McMorris Rodgers
Mica
Miller (FL)
Mitchell
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (MN)
Petri
Pickering
Pitts
Platts
Poe
Price (GA)
Putnam
Radanovich
Rahall
Rehberg
Reichert
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Ros-Lehtinen
Roskam
Royce
Sali
Saxton
Scalise
Schmidt
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (TX)
Stark
Stearns
Sullivan
Terry
Thornberry
Tiahrt
Tiberi
Turner
Walden (OR)
Walz (MN)
Wamp
Weller
Westmoreland
Whitfield (KY)
Wilson (NM)
Wilson (SC)
Wittman (VA)
Wolf
Young (FL)

ANSWERED "PRESENT"—1

Campbell (CA)

NOT VOTING—26

Costa
Cubin
Delahunt
Doolittle
Ellison
Emanuel
Everett
Gilchrest
Gordon
Gutierrez
Hastings (FL)
Hooley
Johnson, E. B.
Keller
Kuhl (NY)
Miller, Gary
Peterson (PA)
Pryce (OH)
Renzi
Rohrabacher
Sensenbrenner
Snyder
Tancredo
Walberg
Watson
Weldon (FL)

□ 2046

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 6184. An act to provide for a program for circulating quarter dollar coins that are emblematic of a national park or other national site in each State, the District of Columbia, and each territory of the United States, and for other purposes.

H.R. 7311. An act to authorize appropriations for fiscal years 2008 through 2011 for the Trafficking Victims Protection Act of 2000, to enhance measures to combat trafficking in persons, and for other purposes.

The message also announced that the Senate has passed a bill and a Joint Resolution of the following titles in which the concurrence of the House is requested:

S. 3731. An act to amend the Emergency Economic Stabilization Act of 2008 (division A of Public Law 110–343) to provide the Special Inspector General with additional authorities and responsibilities, and for other purposes.

S.J. Res. 46. Joint resolution ensuring that the compensation and other emoluments attached to the office of Secretary of State are those which were in effect on January 1, 2007.

The message also announced that pursuant to Public Law 101–549, the Chair, on behalf of the Majority Leader, appoints the following individuals to the Board of Directors of the Mickey Leland National Urban Air Toxics Research Center:

Jane Delgado, of the District of Columbia.

John Hiatt, of Nevada.

WORKER, RETIREE, AND EMPLOYER RECOVERY ACT OF 2008

Mr. POMEROY. Mr. Speaker, I ask unanimous consent that the Committees on Ways and Means and Education and Labor be discharged from further consideration of the bill (H.R. 7327) to make technical corrections related to the Pension Protection Act of 2006, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LAMPSON). Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The text of the bill is as follows:

H.R. 7327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Worker, Retiree, and Employer Recovery Act of 2008".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows: