

111TH CONGRESS  
1ST SESSION

# H. R. 1606

To establish a new automobile voucher program.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2009

Mr. MANZULLO introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish a new automobile voucher program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “New Automobile  
5       Voucher Act of 2009”.

6       **SEC. 2. FINDINGS.**

7       Congress finds the following:

8               (1) 1 out of every 10 jobs in the United States,  
9       or about 13,000,000, is related to automobiles.

1           (2) The automotive sector represents the largest  
2           manufacturing base in the United States and each  
3           automobile assembly plant generates about 5 jobs  
4           among suppliers and the surrounding community.

5           (3) Automobile parts manufacturers account for  
6           4,500,000 private industry jobs, including nearly  
7           2,000,000 indirect jobs in industries ranging from  
8           steel and plastics to technical services.

9           (4) Automobile dealerships employ 1,100,000  
10          workers and account for 18 percent of all retail sales  
11          in the United States.

12          (5) In 2005, 16,900,000 new automobiles were  
13          sold in the United States, but in 2008, only  
14          13,200,000 new automobiles were sold.

15          (6) This loss of 3,700,000 new automobile  
16          sales, at an average price of \$28,400, directly re-  
17          moved \$105,000,000,000 from the economy.

18          (7) Economic multiplier effects of between 3  
19          and 7 percent mean that this decline of new auto-  
20          mobile sales translates into a \$315,000,000,000 to  
21          \$735,000,000,000 loss to the economy of the United  
22          States.

23          (8) Only 1,345,885 vehicles were sold in the  
24          United States during January and February of

1       2009, representing a 39 percent decrease from Jan-  
2       uary and February of 2008.

3           (9) The best way to help the United States  
4       automobile industry and manufacturing base recover  
5       is to set a goal of selling 15,000,000 new auto-  
6       mobiles in 2009 in order to restart the United  
7       States economy.

8       **SEC. 3. NEW AUTOMOBILE VOUCHER PROGRAM.**

9           (a) ESTABLISHMENT.—There is established in the  
10      Department of the Treasury a program to be known as  
11      the “New Automobile Voucher Program”, through which  
12      the Secretary shall—

13           (1) authorize the issuance of a voucher, subject  
14      to the specifications described in subsection (b), to  
15      a dealer for each person or eligible fleet operator  
16      who purchases an eligible new automobile from such  
17      dealer, which voucher shall be applied towards such  
18      purchase;

19           (2) allow any dealer to participate in the Pro-  
20      gram if the dealer agrees to—

21           (A) apply a voucher towards the purchase  
22      of an eligible new automobile as partial pay-  
23      ment for each eligible person or eligible fleet op-  
24      erator at the time of purchase; and

1 (B) comply with all applicable require-  
2 ments under this Act and regulations promul-  
3 gated by the Secretary to carry out this Act;

4 (3) establish a Web-based electronic system to  
5 process the vouchers at the point of sale;

6 (4) certify that the Program is operational; and

7 (5) make payments to dealers for vouchers ap-  
8 plied by such dealers under paragraph (2) in accord-  
9 ance with the provisions of this section.

10 (b) PROGRAM SPECIFICATIONS.—

11 (1) VOUCHERS PER PERSON.—Not more than 1  
12 voucher may be issued for any person, unless such  
13 person is an eligible fleet operator.

14 (2) VOUCHERS PER ELIGIBLE NEW AUTO-  
15 MOBILE.—Not more than 1 voucher may be applied  
16 to each eligible new automobile.

17 (3) OFFSET.—A dealer—

18 (A) shall credit the amount of the voucher  
19 being applied toward the purchase of an eligible  
20 new automobile; and

21 (B) may not offset the amount of the  
22 voucher against any other rebate or discount  
23 otherwise being offered by the dealer or manu-  
24 facturer.

1           (4) COMBINATION WITH OTHER INCENTIVES  
2       PERMITTED.—Notwithstanding any other provision  
3       of law, the availability or use of a Federal or State  
4       tax incentive or a State-issued voucher for the pur-  
5       chase of an eligible new automobile shall not limit  
6       the value or issuance of a voucher under the Pro-  
7       gram for any eligible person or eligible fleet oper-  
8       ator.

9           (5) VOUCHER.—

10           (A) PAPERLESS VOUCHER.—Any voucher  
11       issued under this section shall be issued elec-  
12       tronically through a Web-based electronic sys-  
13       tem.

14           (B) VALUE OF VOUCHER DURING THE INI-  
15       TIAL PERIOD.—A voucher issued under the Pro-  
16       gram during the initial period may be applied  
17       to offset the purchase price of an eligible new  
18       automobile by \$5,000.

19           (C) VALUE OF VOUCHER DURING THE SEC-  
20       ONDARY PERIOD.—A voucher issued under the  
21       Program during the secondary period may be  
22       applied to offset the purchase price of an eligi-  
23       ble new automobile by \$2,500.

24           (6) PROMPT FULFILLMENT OF REDEMPTION  
25       REQUESTS REQUIRED.—The Secretary shall provide

1       for the payment of all vouchers submitted to the  
2       Secretary for redemption in accordance with the pro-  
3       visions of this Act not later than 10 days after such  
4       submission, or within such lesser period as the Sec-  
5       retary determines to be practicable.

6       (c) RULEMAKING.—Not later than 30 days after the  
7       date of the enactment of this Act, the Secretary shall pro-  
8       mulgate regulations to implement the Program, including  
9       the enforcement of the penalties described in section 4.

10      (d) DISCLAIMER.—Nothing in this Act or any other  
11      provision of law limits the authority of Congress or the  
12      Secretary to terminate or limit the Program or the  
13      issuance of vouchers under the Program.

14      **SEC. 4. PENALTIES.**

15      (a) VIOLATION.—It shall be unlawful for any person  
16      to commit any fraudulent act in connection with a voucher  
17      issued under the Program.

18      (b) PENALTIES.—Any person who commits a viola-  
19      tion described in subsection (a) shall be liable to the  
20      United States Government for a civil penalty of not more  
21      than \$10,000 for each violation.

22      **SEC. 5. REPORT.**

23      The Secretary shall submit a report to the Congress  
24      every 6 months that specifies, for the most recent 6-month

1 period, the number of vouchers that have been used under  
2 the Program.

3 **SEC. 6. DEFINITIONS.**

4 In this Act:

5 (1) **AUTOMOBILE.**—The term “automobile” has  
6 the meaning given such term in section 32901(a) of  
7 title 49, United States Code.

8 (2) **DEALER.**—The term “dealer” means a per-  
9 son residing in a State that is engaged in the sale  
10 of new automobiles as of the date of introduction of  
11 this Act to the first person or eligible fleet operator  
12 that is the ultimate purchaser.

13 (3) **ELIGIBLE FLEET OPERATOR.**—The term  
14 “eligible fleet operator” means the operator of a  
15 fleet of automobiles that is owned by a partnership,  
16 corporation, association, or public or private organi-  
17 zation.

18 (4) **INITIAL PERIOD.**—The term “initial period”  
19 means the first 6 months of the Program, beginning  
20 from the date the Secretary certifies the Program is  
21 operational.

22 (5) **NEW AUTOMOBILE.**—The term “new auto-  
23 mobile” means an automobile for which a manufac-  
24 turer, distributor, or dealer has never transferred

1 the equitable or legal title of such automobile to an  
2 ultimate purchaser.

3 (6) ELIGIBLE NEW AUTOMOBILE.—The term  
4 “eligible new automobile” means a new automobile  
5 whose purchase price is less than \$50,000.

6 (7) PERSON.—The term “person” has the  
7 meaning given such term in section 551 of title 5,  
8 United States Code.

9 (8) PROGRAM.—The term “Program” means  
10 the New Automobile Voucher Program established  
11 under section 3.

12 (9) SECONDARY PERIOD.—The term “secondary  
13 period” means the time period beginning the day  
14 after the initial period has expired and ending De-  
15 cember 31, 2010.

16 (10) SECRETARY.—The term “Secretary”  
17 means the Secretary of the Treasury.

18 (11) STATE.—The term “State” means a State  
19 of the United States, the District of Columbia, Puer-  
20 to Rico, the Northern Mariana Islands, Guam,  
21 American Samoa, and the Virgin Islands.

22 (12) ULTIMATE PURCHASER.—The term “ulti-  
23 mate purchaser” means, with respect to a new auto-  
24 mobile, the first person who purchases such auto-  
25 mobile for purposes other than resale.

1           (13) VOUCHER.—The term “voucher” means a  
2       voucher issued to a person who is purchasing an eli-  
3       gible new automobile pursuant to the provisions of  
4       this Act.

5 **SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

6       There is authorized to be appropriated to the Sec-  
7       retary \$75,000,000,000 to carry out this Act. Of the  
8       amount appropriated under this Act, the Secretary shall  
9       obligate no more than \$50,000,000 to cover administrative  
10      costs for the Program.

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