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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, December 9, 2008, at 11 a.m.

Senate

MONDAY, DECEMBER 8, 2008

(Legislative day of Thursday, November 20, 2008)

The Senate met at 3 p.m., on the expiration of the recess, and was called to order by the Honorable JIM WEBB, a Senator from the Commonwealth of Virginia.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Almighty God, Your joy in our heart promised us to praise You. Thank You for the opportunity to serve You and country. Thank You for unsung heroes and heroines on Capitol Hill, staffers and others who work diligently and skillfully to safeguard our freedom. Remind them that You see their faithfulness and will reward their dedication. May their faithfulness produce a harvest that will bring deliverance and security to our Nation and the world.

Lord, during this season of anticipation and appreciation, transform our gratitude into unselfish service. May our service to humanity be a candle that will dispel darkness and illuminate the road ahead.

We pray in the Name of the Light of the World. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JIM WEBB led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, December 8, 2008.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JIM WEBB, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WEBB thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will proceed to a period of morning business with Senators allowed to speak for up to 10 minutes each. We will be in a period of morning business for up to 1 hour.

AUTOMOBILE INDUSTRY LOAN

Mr. REID. Mr. President, I can say with certainty that not one of the 100 Members of the Senate approaches the work ahead of us this week with a sense of glee.

The past American century has been defined, in no small part, by the manufacturing ingenuity, raw power, and limitless possibilities embodied by our automobile industry.

Packard, Nash, Studebaker, Hudson, Plymouth, they are all gone. There are others. Ford, General Motors, and Chrysler are American icons. Yet we now see that all three teeter on the brink of collapse, due in no small part to their own ineptitude.

Although the blame for this desperate state falls squarely on the shoulders of those who run the Big Three, the consequences of their failures could broadly impact our entire country. The jobs of millions of American workers are at stake, along with the financial security of millions of families. So while we take no satisfaction in loaning taxpayer money to these companies, we know it must be done.

Today, the stock market, which will be open for a few minutes more, a little over an hour, today was up by more than 300 points as I walked into the Chamber today. Why? Because Congress is trying to save Detroit. We must act, not to reward the executives of the Big Three for their failures but to invest in the millions of Americans who could face the consequences of their failures.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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I strongly disagree with the Bush administration's refusal to use funds from the Troubled Asset Relief Program. They should have done it. TARP, that is what it is called. These monies, we believe, should be used to help the auto industry.

Speaker PELOSI, Chairman DODD, Congressman FRANK, and I wrote the President last week, urging him to act because of the financial risks of the collapse of one or more of the Big Three. The President's refusal to do so requires Congress to take action.

I wish to especially thank Senator CHRIS DODD and Congressman BARNEY FRANK, who worked through the weekend to come up with legislation that will give the automakers a chance to clean house and return to a responsible path toward profitability. It was literally of no personal benefit to Senator DODD and Congressman FRANK for doing what they did; it was simply the right thing to do. Their staffs have been heroic soldiers, in their legislative efforts, working literally around the clock for the last 4 or 5 days.

And because of their efforts; that is, the two chairs and their valiant staffs, we have legislation before us, or soon will have, that will provide funds to see the auto companies through to the end of the first quarter of next year.

But this is no blank check or blind hope. If the companies fail to develop a plan that will lead to long-term competitiveness and profitability, if they fail to stick to that plan, the loan can be recalled. That is what the intended law says. We require strong oversight, executive pay standards, and taxpayer protection, such as warrants and a prohibition on dividends, to ensure that taxpayers stand to benefit if and when this plan succeeds.

There is no perfect or good answer to this problem. No solution will satisfy everyone and no legislation would be cause for celebration. But if Senators are willing to work together the next few days, we can pass legislation that represents good legislation, though not perfect, that will enable America's largest single manufacturing base to continue and, in the immediate future, bound forward once again to be the power of America's manufacturing sector.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

AUTOMOBILE INDUSTRY HELP

Mr. MCCONNELL. Mr. President, Congress returns this week at a time of grave concern about the state of our Nation's economy. Americans are worried about the credit markets that serve as the lifeblood of our Main Street economy. They are worried about the broader financial industry. And now they are worried about the

possibility of another major convulsion coming from the auto industry, an important source of jobs throughout America, including my own State of Kentucky.

As we consider new legislation this week, we must first ensure that we do no harm to taxpayers later in our efforts to help any one particular industry now. That is why Republicans insist that any proposal aimed at helping the auto industry include a firm commitment on its part to significant and fundamental reform. Troubled automakers cannot expect taxpayer help without a serious commitment to change their ways permanently.

Any assistance from Congress would hold the auto industry accountable to essential reforms from day one. And it would include enforcement capabilities, including strict, immediate accountability and oversight. Automakers should not expect any new appropriations. Congress will not draw on funds that have already been designated to stabilize the entire economy in order to help one sector of it.

As Congress works to help stabilize the broader economy, we cannot expose the taxpayers to new burdens without the promise of avoiding in the future the same mistakes that created these problems in the first place. This is the principle that should guide all of us in this week's negotiations. I am confident it will guide Republicans.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized.

CRISIS IN AUTO INDUSTRY

Mr. BOND. Mr. President, I rise today to speak on the issues facing the crisis in the auto industry as well as the Department of the Treasury's Troubled Asset Relief Program or TARP.

As the economy continues its severe downturn, American families across the country face challenges on a level not experienced for decades. With hun-

dreds of thousands of jobs being lost each month, small businesses and millions of Americans struggling to meet everyday needs, the Federal Government is being challenged to come up with new solutions. We are clearly in a unique time as we are experiencing an economic downturn unparalleled since the Great Depression.

Our Government has already taken a number of emergency actions to prevent an economic calamity but new crises continue to develop. The latest and, of course, we think right now the most noticeable crisis is the potential collapse of the domestic auto industry.

Unlike many other industries, the auto industry touches millions of jobs and many manufacturing and service industries throughout the Nation. We are not talking only about auto-workers in assembly plants, we are also talking about auto suppliers, dealerships, repair shops, steel, glass, and plastic industries.

These auto-related jobs are not just in big cities such as Detroit and Cleveland, St. Louis, or Kansas City, those jobs support families in small- and medium-sized communities across rural America in places in my home State such as Dexter, Fenton, Mexico, Riverside, Maryville, Moberly, Versailles, and Joplin. I have been meeting with many of these people in the last few weeks.

But despite the real need for temporary emergency assistance to save jobs in Missouri and across the country, I do not support a taxpayer-funded blank check that will prop up failed business models without getting the changes that are vitally needed.

It is a disservice to the American taxpayer to throw good money after bad, when these big businesses contributed to their problems. I share and understand the "bailout fatigue" of most taxpayers, a lot of folks in my State, and we are troubled by the Government intervention in the private market. But I think it is important to note the failures of the auto companies, like the financial markets, are more than just a failure of the markets and the industry. It also occurred due to Government actions, some of which were pushed by the Congress.

Congress helped bring about \$4-a-gallon gasoline that pushed car sales down before the credit crisis—in which we also had a hand—shut off car loans.

Our country, however, is facing a unique economic emergency and now is not the time to point fingers of blame.

It is a time to examine carefully all policy options, including the option of doing nothing. But doing nothing for the auto industry would mean allowing them to go into bankruptcy. Unfortunately, bankruptcy takes several years, and many consumers would not purchase a car or a truck from a company in bankruptcy. In fact, recent research studies suggest that 20 to 30 percent of shoppers avoided purchasing domestic autos in October due to the speculation of bankruptcy. In other