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House of Representatives

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore (Ms. JACKSON-LEE of Texas).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 31, 2009.

I hereby appoint the Honorable SHEILA JACKSON-LEE to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 6, 2009, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 30 minutes and each Member, other than the majority and minority leaders and the minority whip, limited to 5 minutes.

“CARS” BILL A PRESCRIPTION FOR IMPROVED AUTO SALES

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Michigan (Mrs. MILLER) for 3 minutes.

Mrs. MILLER of Michigan. Madam Speaker, yesterday was a very, very tough medicine, I would say that is an understatement, tough medicine for the people of Michigan, as President Obama put down very quick timelines for General Motors and Chrysler to complete the restructuring plans that will make them viable both in the short term, and long-term viability as well.

At that same time, the President indicated his support for the industry,

which we took to heart, and we find that very, very encouraging, and the President indicated his desire to work with the Congress to produce an incentive to get customers in the showroom. And this is key: How can we incent people to actually purchase an automobile in these economic times?

Madam Speaker, recently I was very proud to join with my Democratic colleagues, BETTY SUTTON of Ohio and BRUCE BRALEY of Iowa, to sponsor H.R. 1550, which we call the Consumer Assistance to Recycle and Save Act of 2009, or the CARS Act, or as it is now commonly being referred to as the Cash for Clunkers bill.

This bill, Madam Speaker, would provide consumers with up to a \$7,500 incentive to trade in an older, less fuel-efficient vehicle for a new, more fuel-efficient vehicle. And we know this is an idea that will work because it already has.

In this case, consumers actually get the immediacy at the point of sale, not later on in the year when they might be doing their tax returns to get a credit or something, but when they are purchasing a car they would get a voucher for this. And the good thing is as well that dealers don't actually have to take that trade-in and have it sitting on the lot, either. That car would be scrapped. But, as I say, we know it would work because we have seen what has happened.

Recently, the German Government introduced a similar incentive, and in February German car sales were up 22 percent, as sales fell, as we all are painfully aware, around the rest of the world.

There was an op-ed in today's USA Today by Bill Ford, and it is titled, “Cash in Old Cars for New Ones. Economy, Consumers, Automakers Would All Benefit.” This is written by Bill Ford of the Ford Motor Company. And I will also say that this bill is supported by all of the Big Three, General

Motors, and Chrysler, as well as supported by the UAW.

I submit for printing in the RECORD this op-ed.

CASH IN OLD CARS FOR NEW ONES

(By Bill Ford)

In spite of the many challenges our country faces, I strongly believe the government stimulus and other steps to thaw credit markets will be effective in driving economic growth over time.

But we still face an immediate and serious challenge. Last week, President Obama observed that U.S. auto sales have seen a huge drop-off, starkly noting “every automaker is getting killed right now.” In just one year, U.S. auto sales have fallen by nearly 50%. And March's sales numbers promise to be sobering for foreign and domestic automakers.

This unprecedented trend is sustainable for neither the industry nor the economy. We urgently need to draw reluctant consumers back into the marketplace. The good news is that there is a proven initiative, outlined by the president on Monday, that can help consumers overcome their fear. The plan also would help the environment and increase energy security. It has been called a “fleet modernization” or a “scrappage” program. Whatever the name—it works.

In January, the German government enacted a consumer incentive equivalent to \$3,200 to scrap automobiles that are at least 9 years old and buy new, more environmentally advanced vehicles. By February, sales of new vehicles jumped 21% over the same month a year before. Countries such as Japan, France, Italy, South Korea and others are considering or already have similar programs.

This model can work in the U.S., too. President Obama said that he would like to use parts of the economic stimulus package to fund a program that would give consumers a “generous credit” when they replace an older car with a new, more fuel-efficient car.

President Obama has rightly emphasized the importance of vehicle fuel-efficiency gains and expressed concern about shrinking U.S. auto sales and the risk it poses to the

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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economy. This program could help the environment and jobs.

HOW THE PROGRAM WOULD WORK

Here's how one bipartisan proposal before Congress would work to stimulate new vehicle purchases. The program would provide vouchers to consumers for vehicles at least 9 years old. The vouchers likely would be worth more than the current value of their vehicle. For example, a consumer who turns in an older car could get a voucher ranging from \$4,000 to \$5,000 to use as a down payment on a \$20,000 car that exceeds 27 miles per gallon. Combined with current auto sales incentives, consumers likely will get unprecedented deals on more fuel-efficient cars.

An independent analyst, Barclays Capital, estimates that this proposal could boost sales by 2.5 million units if 2% of eligible vehicles were traded in. This surge in sales would help preserve American jobs in communities across the country.

Taxpayers are rightly concerned about the federal deficit given the significant spending on the economic stimulus. Let me clarify, Ford is in a different position and is not seeking emergency taxpayer assistance. Nonetheless, Congress needs to spur consumer demand for autos—the largest purchase a family makes after a home.

This vehicle modernization idea would require additional investment by taxpayers. Its cost would be dependent on how Congress structures the incentive and its duration. The alternative, however, if sales do not rebound quickly, is more job losses, more home foreclosures, and less revenue for governments that must provide more jobless and health care benefits.

In addition to its consumer benefits, this initiative would help reduce our carbon footprint. Automakers are accelerating efforts to reduce greenhouse gases, but the latest fuel-economy rules apply only to new cars. This proposal would help America get greener faster by retiring a portion of the 240 million vehicles on the road. It could reduce our CO₂ emissions by millions of metric tons per year.

FUEL EFFICIENCY MEANS LOWER COSTS

The program also would help contribute to greater energy independence. Replacing an older car with a new, more fuel-efficient one drives down gas consumption. That helps consumers, too. In fact, the Department of Energy estimates a family could save \$780 per year by moving from a vehicle with 18 miles per gallon to one with 30 mpg.

The auto industry, both foreign and domestic, needs to work together to do our part in turning the economy around. But we also need to use the tools that our government possesses, and routinely deploys in so many other ways, to help move the economy more swiftly to a better place.

Improved auto sales will be one of the key indicators that America is on the road to economic recovery. As Congress weighs a national energy policy, climate change or even more stimulus measures, we urge lawmakers to consider this market-based consumer incentive. This fleet modernization idea would be a win-win for the consumer, the economy, the environment.

This is a bipartisan piece of legislation. It is very important to say this. This is bipartisan legislation, and it accomplishes two very important goals: First, it gets customers into the showrooms by buying vehicles and, of course, to help keep people working, as well as getting more fuel-efficient cars on the roads and reducing our dependence on foreign oil. So it is a win-win all the way around.

I believe that this is a prescription that our auto industry needs. I think it is a critical component, Madam Speaker, of the road forward for the auto industry and our Nation, and I would urge all of my colleagues to join us to help preserve jobs, to help consumers, and to reduce our dependence on foreign oil and protect this vital industry.

THE BUDGET

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

Mr. BLUMENAUER. Madam Speaker, the budget is the most important challenge that every Congress faces year in and year out. It reflects our priorities, it shows how we deal with war and peace, the economy, education, and the environment, who pays, and who benefits.

Under the Constitution, this is a uniquely congressional responsibility. The power of the purse is reserved to the United States Congress.

I have been disturbed lately to find one political party being AWOL. In fact, Republican Leader BOEHNER famously announced earlier this month that he wanted the people that he leads in the Republican Conference not to be legislators but just communicators, not be involved in the give and take of the legislative process. And as if to drive the point home, the Republicans last week released a budget proposal that the Associated Press summarized as, and I quote, “a glossy pamphlet, short on details, and long on campaign-style talking points.”

There wasn't any substance there. There were no hard numbers talking about what they would do to reduce the deficits and what the deficit would be, what programs they were going to cut. Very, very disappointing to see a pamphlet that basically recycled the policies of the last 8 years of the Bush administration and Republican leadership that drove us into the economic ditch. They proposed their same old tax cuts for people who need them least, and offered an alternative that would provide 25 percent less in tax reduction for lower income Americans than is proposed by President Obama and would run up the deficit even higher than it already is.

We are going to have a week that is dominated by budget discussion. We Democrats are going to bring our budget to the floor on Thursday that builds on the President's challenge: Health care for all Americans; education reform, investing in the needs of education for our children and for people that have lost their jobs or need to change their career track; investing in reducing carbon pollution, climate change, and energy independence to create green-collar jobs that will be sustainable and provide value to the economy while we protect the planet. Our budget is serious about deficit reduction, after President Obama inher-

ited from the Bush administration the largest deficit in United States history.

It is ironic, because when the Bush administration took office, they were facing a projected \$5.2 trillion budget surplus, and Republicans had control of all of the levers of power here in Washington, D.C. Their control created economic problems, the budget deficit exploded, and taxes were cut for people who needed it the very least.

Ours is, I must emphasize, a budget outline that will enable Congress, at least those who want to be legislators and not merely talk about it, to roll up their sleeves and deliver on the challenges that the President made in health care, education, climate, deficit reduction, and tax reform.

There are no specific policy decisions made in the budget outline. That is not what a budget is for. Rather, it is to provide the framework. Budget decisions will be made by the people here who decide to be legislators over the next 6 months. There is still time for people on the other side of the aisle to reject their leadership, roll up their sleeves, and work with us to deal with specifics on carbon pollution, on health care, on education.

It was a little disorienting to hear at the Budget Committee late into the night last Wednesday Republicans talking about objecting to the President's proposal to reform student loans because they were afraid it would cost some bankers some jobs. I did the math. According to their figures, those jobs were at the expense of \$133,000 each, money that the Democrats and the President think ought to be loaned to students, not to subsidize bankers.

We look forward to a spirited debate this week.

TAXPAYER EMPOWERMENT AND ADVOCACY ACT

The SPEAKER pro tempore. The Chair recognizes the gentleman from South Carolina (Mr. BARRETT) for 5 minutes.

Mr. BARRETT of South Carolina. Madam Speaker, we are facing serious economic challenges. In my home State of South Carolina, the unemployment rate is right at 11 percent. We all know someone who has been personally affected by these tough times, a friend, a neighbor, a family member. We have all seen the “going out of business” signs hanging in the front doors of local shops and stores.

The people we represent are looking to Congress for answers, Madam Speaker. But the so-called solutions coming from the Washington Democrats call for more spending, more borrowing, and more taxing. The President's budget increases taxes by nearly \$2 trillion, doubles the national debt in less than 6 years, and spends \$4 trillion alone this year. And, of course, who can forget all of the wasteful spending in the stimulus bill: \$50 million for the National Endowment for the Arts, \$300 million for green golf carts, and \$30 million to