

## House Passes Legislation to Rescue and Restructure American Auto Industry

Washington, D.C. &ndash; Rep. Anna G. Eshoo (D- Palo Alto) released the following statement after the House approved a \$14 billion bridge loan for General Motors, Ford, and Chrysler. The bipartisan legislation that passed the House today authorizes up to \$14 billion in emergency bridge loan relief to the struggling American automakers.

&ldquo;I voted &lsquo;yes&rsquo; today because I believe that the stakes are too high for our economy to not do anything,&rdquo; said Rep. Eshoo. &ldquo;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.

&ldquo;The &lsquo;Detroit 3&rsquo; automakers have made numerous bad decisions in the past and no one has been more critical of them than I have. They have driven their companies looking through a rearview mirror and thought they saw the future. But allowing them to fail would cause a chain of events felt well beyond Detroit. A shutdown of the auto industry would have a catastrophic affect on an economy that is already in historic distress. That&rsquo;s why prudent steps must be taken to prevent this from happening.&rdquo;

The legislation mandates the appointment of a &lsquo;Car Czar&rsquo; to oversee the disbursement of funds and evaluate the automakers&rsquo; restructuring plans. The bill requires immediate repayment of the loan if a company has not made adequate progress in implementing a restructuring plan to achieve viability, international competitiveness, fuel efficiency, and reduced emissions.

H.R. 7321, the Auto Industry Financing and Restructuring Act, passed the House today by a vote of 237-170.

###