

Rothman Supports Short-Term Loans to Ailing Auto Companies

Congressman Steve Rothman voted in favor of H.R. 7321, the Auto Industry Financing and Restructuring Act.

On Decemeber 11, 2008, Congressman Steve Rothman (D-Fair Lawn) voted in favor of H.R. 7321, the Auto Industry Financing and Restructuring Act. Following the vote, the Congressman stated:

"Today, I supported legislation to provide up to \$14 billion in short-term, structured loans to American auto-manufacturers, in order to help prevent massive job-losses in U.S. automotive and related industries and to provide the opportunity for a genuine restructuring of our nation's car makers. The Auto Industry Financing and Restructuring Act requires the Big Three U.S. automakers, unions, creditors and other players to submit their long-term plans, by March 31, 2009, that would lead to the financial stability of the companies.

"This legislation puts tough new restrictions on the auto companies—denying them the right to award their executives lavish bonuses or "golden parachutes," requiring the sale of all corporate jets, and mandating that the companies make a \$500 million "innovation investment" in order to research and develop next-generation technology to increase fuel efficiency and reduce greenhouse gas emissions. Finally, H.R. 7321 would create the office of a "Car Czar."

"I am hopeful that this loan agreement will give the automotive companies, the workers, their suppliers, and creditors the time and resources to present their case for a new U.S. auto industry."

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