



FOR IMMEDIATE RELEASE
December 12, 2008

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CARDIN URGES PRESIDENT BUSH TO AUTHORIZE TARP FUNDS FOR U.S. AUTO MAKERS WITHOUT DELAY

“We must act. Bankruptcy is not an option.”

Washington, DC – *U.S. Senator Benjamin L. Cardin (D-MD), a member of the Senate Budget Committee, released the following statement urging the President to immediately authorize the use of funds from the **Troubled Assets Relief Program** following the failure of legislation in the Senate that would have provided General Motors and Chrysler LLC with \$14 billion of federal loans in exchange for major restructuring and government oversight.*

“The Senate voted last night to abandon much of the leverage the federal government had to shape the restructuring of American automobile manufacturers. The agreement that I supported provided stringent mandates that would have forced GM and Chrysler to produce more of the types of vehicles that our country needs for our economic, environmental and energy security while making the companies themselves stronger and more competitive globally. The bipartisan agreement, supported by the White House and a majority of senators, also required sacrifices by both labor and management, in the form of compensation and benefit limitations. Oversight was in place and the proposed taxpayer investment was protected, if any of the participants failed to live up to the agreement.

“Our economy is in very serious trouble. Thanks to the actions of a minority of senators, we are at even greater risk today than before our vote last night. Nearly three million jobs – manufacturers, suppliers, dealers, and others – now stand on the brink of the unthinkable, waiting for President Bush and Treasury Secretary Paulson to act.

“I urge President Bush to act quickly to prevent the major U.S. auto makers from going into bankruptcy. No one would gain if they were to fail but so many nationwide would suffer. Our fragile economy – and the world financial markets – cannot afford yet another devastating blow.

“We always have known that the President had the ability, under the authority Congress granted him in the **Emergency Economic Stabilization Act**, to provide relief to General Motors (GM) and Chrysler, even Ford, as they weather the credit crisis and work to restructure their operations in such a way that would make them competitive and viable for the long-term. The President now must act decisively to save this core American industry.

“The major U.S. auto makers can come out of this financial quagmire stronger and more competitive. However, that requires the President make funds from the **Troubled Assets Relief**

Program immediately available so the companies could begin the arduous task of effectively recovering and retooling their operations.”

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