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United States Senate

WASHINGTON, DC 20510-3204

November 13, 2008

The Honorable Harry Reid
Majority Leader
United States Senate
S-221, U.S. Capitol
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, U.S. Capitol
Washington, D.C. 20515

Dear Majority Leader Reid and Speaker Pelosi:

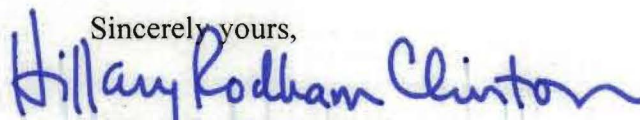
I commend you both for your commitment to taking up a measure to assist the U.S. automobile industry when the Congress returns next week, and I will lend my support to an effective and robust relief package for this critical sector.

As you know, our automobile sector has been devastated by the recent economic meltdown. Frozen consumer and commercial credit and plummeting sales have pushed the U.S. automakers to the edge of collapse. General Motors last week posted a \$2.5 billion quarterly loss and has predicted that it could run out of cash by the end of the year, with the other major producers and countless suppliers and smaller subcontractors in similar straits. The collapse of the domestic auto industry would have a ripple effect that would be immediately felt by New York's nearly 37,000 auto manufacturing-related workers and the many suppliers and dealers throughout the state and the entire nation. Moreover, a collapse would have a destructive impact on New York's economy, which has already been seriously weakened by the financial crisis.

To prevent this from happening, I agree with you that we need a strong and timely relief package that addresses the many problems plaguing this ailing industry. The measure should focus not only on the Big Three automakers, but also extend to auto suppliers and the rest of the auto industry. Of course, the package should not be a blank check. Loans must be repaid, and the program must allow the government to take an equity stake in these companies in exchange for loans or other capital injections. The program should also encourage investment in new technologies in exchange for any assistance. Perhaps most important, I believe that we should secure commitments from the beneficiaries of this program to support its current U.S. workforce and invest in new jobs here in the United States. The scope of assistance for the auto industry is unprecedented, so I believe that meeting the needs of the workers that support the industry is not only appropriate but should be one of our top priorities. We have an opportunity to craft a smart and tailored package that will provide vital assistance to an essential American industry, returning these companies to a path of financial stability. You both know that automobile production has been the backbone of our manufacturing sector, which itself has been the backbone of our middle class.

Thank you again for your support and leadership on this important package. I look forward to working with you to make it a reality in the days to come.

Sincerely yours,



Hillary Rodham Clinton