

United States Congress  
**Congresswoman Mary Fallin**  
House of Representatives

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## Fallin Issues Statement Opposing Auto Bailout

WASHINGTON – Congresswoman Mary Fallin (OK-05) today issued the following statement concerning her opposition to the proposed taxpayer-funded bailout of the auto industry:

“The Big Three automakers are going through tough times, like a lot of businesses, both big and small, all over this country. I am certainly sympathetic to the problems of the Detroit auto companies, their workers and their retirees, and I am mindful of the broader economic affects that occur when these companies struggle. Still, I cannot support a multibillion dollar taxpayer funded bailout of an industry that, if left on its current course, does not appear to have a viable future. When this bill comes up for a vote, I will oppose it for three reasons:

“First, the proposed \$15 billion infusion of federal dollars does not do enough to change the underlying structural problems which helped bring about this crisis. These problems include excessive payroll and pension obligations, expensive emissions standards that add to the cost of every vehicle and bad decisions by management. Rather than forcing the automakers to address these liabilities, a bailout will simply provide a \$15 billion incentive to delay the necessary changes.

“Second, we already have a mechanism in place to allow a troubled company to restructure its debt and change its operations to return to profitability. It is called bankruptcy. In the past we have seen companies from corner retail stores to huge airlines go through bankruptcy and emerge as more viable competitors. In times of recession such as these, I am open to considering a managed bankruptcy where the federal government plays an oversight role in corporate restructuring. Either way, the principle remains the same: The Big Three need a business model that works, not just a cash infusion.

“Finally, the auto bailout creates a dangerous precedent. In this fragile economy, there are businesses and entire industries struggling all over the country. When do the bailouts stop? The current plan has been characterized as a ‘bridge’ to allow the Big Three to operate until early next year. If that’s the case, it is simply a ‘bridge too far.’ With our deficit rising and our economy continuing to shrink, cutting every struggling company a multibillion dollar check is simply not an option. The best way to protect American taxpayers is to ask the automobile companies to work through their problems, reorganize their companies and operate by the same rules that other companies and industries have to play by.”

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