

United States Senate

WASHINGTON, DC 20510-4802

July 23, 2009

Mr. Neil Barofsky
Special Inspector General
for the Troubled Asset Relief Program
1801 L Street, NW, 6th Floor
Washington, D.C. 20220

Dear Mr. Barofsky:

I am writing to request that you review the methodology of General Motors (GM) and Chrysler regarding their decisions to terminate automobile dealership franchises. In light of the impact that these dealership terminations will have on communities throughout the United States, as well as the fact that both companies have received billions of dollars through the Troubled Assets Relief Program (TARP), I believe that taxpayers deserve a thorough review of these decisions.

As I am sure you are aware, GM and Chrysler recently terminated more than two thousand automobile dealership franchises as part of their bankruptcy proceedings. On June 3, 2009, I chaired a hearing on this issue before the Senate Committee on Commerce, Science, and Transportation, at which time the Committee heard from executives from GM and Chrysler, a representative from the National Automobile Dealers Association, and two terminated automobile dealers. Based on the testimony before the Committee, it is clear that there is substantial confusion, even among dealers themselves, as to how GM and Chrysler selected dealerships for termination and what benefit, if any, the companies will incur by eliminating dealerships.

As a Senator from the State of West Virginia, I have taken a keen interest in this issue because of the effect that GM's and Chrysler's decisions will have on dealers, employees, consumers, and communities, particularly in rural parts of our country. With that in mind, it is eminently important that GM's and Chrysler's actions are subject to an appropriate level of oversight intended by Congress when it first created the TARP program. American taxpayers, who have provided billions of dollars to keep these companies afloat, deserve to know that the dealership terminations were rational, have been administered fairly, and will result in tangible benefits to the long-term viability of the companies.

Specifically, I ask that you review the methodology and criteria used for the decisions regarding which dealers were terminated or maintained; how those criteria were applied by the companies; and what cost savings, if any, will result from these closures.

Thank you in advance for your consideration of this request.

Sincerely,



John D. Rockefeller IV