

Waste Action Alert

A publication of the RSC Sunset Caucus from co-chairs Kevin Brady (R-TX) and Jason Chaffetz (R-UT)
Rep. Jim Jordan (R-OH), RSC Chairman

Eliminate the Advanced Technology Vehicle Manufacturing Loan Program

February 8, 2012

Program or Item Targeted: Government loans for advanced technology vehicle manufacturing.

Cost of Program or Item: This bill could save up to \$4 billion.

Background on Program or Item to Be Sunseted: The Advanced Technology Vehicle Manufacturing (ATVM) loan program directs debt capital to car companies to fund projects which help the cars become more energy efficient and meet higher gas mileage requirements. The program was first funded by a Democrat-led Congress in the FY 2009 Continuing Resolution (CR), enacted on September 30, 2008, making \$7.5 billion available from the Department of Energy to support \$25 billion in loans to auto manufacturers. These loans were provided in addition to the Obama administration's Detroit auto company bailout while pushing a green energy agenda.

Why This Program Is Wasteful: The program has largely remained unused as more than \$4 billion have sat idle. Americans learned that one start-up electric car company, Fisker, secured a \$529 million federal government loan guarantee to assemble its cars in Finland, [sending 500 manufacturing jobs overseas](#). Yet, 95 percent of applicants for ATVM loans are still awaiting approval or have been rejected from the loan pool. If funds are being provided in a case like this, they should be spent on an immediate need, rather than sit idly by waiting for a careless and inefficient bureaucratic process that has made little progress in the past three years.

MEMBER ACTION ITEM: Rep. Bill Flores has introduced H.R. 3306, a bill to repeal the Advanced Technology Vehicle Manufacturing Loan Program. This measure was featured as part of the [YouCut](#) Program. For more information or to cosponsor, contact Eric Gustafson at Eric.Gustafson@mail.house.gov.

If you would like to participate in eliminating wasteful programs with the RSC Sunset Caucus, please e-mail Rick.Eberstadt@mail.house.gov.

Note: Not every item featured in the Waste Action Alerts is necessarily endorsed by the RSC. These Alerts highlight the individual initiatives of members of the RSC Sunset Caucus.

"The RSC Sunset Caucus uncovers government waste and seeks to eliminate it, working to sunset programs that taxpayers shouldn't be paying for."

