

Washington, DC -- U.S. Rep. Vern Buchanan voted today against a proposed \$15 billion government loan for auto manufacturers, calling it a bad deal for taxpayers because the companies failed to restructure their operations.

Buchanan said he was troubled at the prospect of putting taxpayers on the hook for yet another publicly financed bailout that would balloon the national debt without any guarantee of success. The automakers failed to develop a restructuring plan addressing their economic problems.

“How can we ask the American taxpayer to assume the risk when the companies and stakeholders in the automotive industry have failed to develop viable restructuring proposals,” Buchanan asked.

Chrysler is privately owned by Cerberus Capital Management, which is unwilling to infuse money into the car company’s operations. “It’s wrong to ask the American taxpayer to foot the bill for Chrysler when the company is unwilling to invest in its own future,” Buchanan said.

Buchanan also noted that experts have predicted the \$15 billion would be inadequate and that the auto industry would come back to the government for far more assistance in the area of \$120 billion.

“Washington seems to have forgotten that it’s the American people who provide the money for these bailouts,” Buchanan said. “I have to weigh the automobile industry’s request against what’s in the best interests of the American taxpayer. Like everyone else, I want to see the auto industry succeed, but I have to do what’s right for our taxpayers and our nation. These are hard times for everyone, businesses and individuals, and we have to draw the line when it comes to further commitment of taxpayers’ money without adequate safeguards.”

“Where do these bailouts end?” the Congressman asked. “We are putting our children and grandchildren’s future at risk by adding to a mountain of debt that already exceeds \$10 trillion dollars. Although I understand the need to take steps to keep our economy from slipping deeper into recession, I seriously question whether spending billions more in taxpayer money is the right approach.”

Buchanan held a town meeting in his district earlier this month where one of his constituents summed up the argument against a bailout of the auto industry: “Stop spending my money,” said retiree William Benedict of Bradenton. “Stop giving it away.”