

## **House Approves Auto Bailout, Vitter Leads Senate Opposition**

By Ana Radelat \* [Gannett News Service \*] December 11, 2008

WASHINGTON -- Despite opposition from some Louisiana lawmakers, the House approved a multibillion-dollar bill Wednesday that would provide bridge loans to financially ailing General Motors Corp. and Chrysler LLC.

The vote was 237-170.

Rep. Jim McCrery, Shreveport, was among only 32 Republicans who voted for the bill. Reps. Charlie Melancon, D-Napoleonville, William Jefferson, D-New Orleans, and Don Cazayoux, D-Baton Rouge, also voted in favor of the measure.

Reps. Charles Boustany, R-Lafayette, Steve Scalise, R-Jefferson, and Rodney Alexander, R-Quitman, voted against it.

"This auto bailout is not in the interest of American taxpayers or the American auto industry. Our ingenuity and entrepreneurship will get us out of this mess," Boustany said.

Rep. Rodney Alexander, R-Quitman, said the bailout bill is "fundamentally flawed."

"Spending billions of additional federal tax dollars with no promises of reform is not fair to our hardworking citizens," Alexander said. "I never want to see businesses fail and jobs lost, but I am not convinced that the current proposal would solve the industry's woes."

Scalise said the bill did not require U.S. automakers to fix "wage disparities" with nonunion foreign carmakers with plants in the United States or require the American carmakers to adjust inflated retirement benefits.

But House Speaker Nancy Pelosi said the legislation is needed to save millions of U.S. jobs and give the automakers "a second chance" to survive.

The bill is a compromise between congressional Democrats and White House officials. It would create a federal overseer, or car czar, who would make loans to GM and Chrysler, who say they need at least \$14 billion in loans to keep from running out of cash by early next year. Ford Motor Co. is also looking for government help, but says it can hold off for a while.

If GM and Chrysler don't make cuts and reach deals with creditors and the union by March 31, the overseer must call back any loans and essentially force the companies into bankruptcy.

Despite the president's support, Senate Republicans vowed to stop the bill. Several said it would be better if the automakers declared bankruptcy.

Sen. David Vitter, R-Metairie, said Wednesday he would use every procedural tool at his disposal -- including the filibuster -- to block approval of what he called an "ass-backwards"

approach helping the industry. He objects to giving automakers money before they restructure to regain their competitiveness.

"Instead of bringing about the real and dramatic restructuring that is needed to get these companies back on track, this plan will ... doom them to failure," Vitter said. It would take 60 votes in the Senate to thwart a filibuster, a Senate procedure that blocks a vote by extended debate.

"Shame on Senator Vitter," said Morgan Johnson, the United Auto Workers president of Local 2166, which represents workers at the GM plant in Shreveport.

"I don't know what Senator Vitter has against GM, the UAW or the entire domestic auto industry, but he has got to forgive us," Johnson said.

Vitter said he is sympathetic to workers who would lose their jobs if the Big Three fail.

"We have a significant GM plant in Shreveport," Vitter said. "I'm very aware of the positive impact of that plant. I'm very aware of the workers there, the families."

But, Vitter said, "I believe that another bailout will guarantee that these giants will fall."

Vitter also opposed the idea of a car czar.

"It would make a bad situation very much worse," he said. "It would politicize further the management of these companies."

Sen. Mary Landrieu, D-New Orleans, said she is undecided whether to support the legislation.