



# COMMITTEE ON APPROPRIATIONS

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DAVID R. OBEY (D-WI), CHAIRMAN

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## **OBEY STATEMENT ON INCREASED FUNDING FOR CASH-FOR-CLUNKERS**

WASHINGTON – Today, Congressman Dave Obey (D-WI), Chairman of the House Appropriations Committee, introduced H.R. 3435, a bill to provide stop-gap funding for the Car Allowance Rebate System (CARS) program. Below is his opening statement on the bill:

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“Mr. Speaker, late yesterday it came to our attention that the Cash-for-Clunkers program, which went active just a few days ago, has proven even more wildly popular than its strongest supporters ever predicted.

“Just last month, Congress passed the program, which provides up to \$4,500 if you trade in your old gas guzzler for a new car that gets better mileage. That was done in the hopes of spurring some new car sales and encouraging people to be a little more environmentally friendly. And we provided \$1 billion in the supplemental to get it going - enough for about 250,000 sales.

“The program kicked off on Monday, and it’s already officially received 40,000 requests for reimbursement, worth about \$160 million in rebates. And a survey done by the National Automobile Dealers Association this week suggests that at least 200,000 deals have been completed but not yet officially submitted.

“If that’s true, and we’re being told it probably is, then the entire \$1 billion is just about exhausted.

“So we have before us a bill that provides stop-gap funding for Cash-for-Clunkers by allowing the Administration to transfer up to \$2 billion from the Department of Energy’s Innovative Technology Loan Guarantee Program, which doesn’t expect to award funding until late next year.

“Some would call this letting the markets work! Consumers have spoken - with their wallets - and they’re saying that they like this program. And clearly, it’s doing what it was intended to do – to spur car sales in this sluggish economy.

“This action will keep it going hopefully, and I would urge support for the bill.”

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