

111TH CONGRESS
1ST SESSION

H. R. 2743

To restore the economic rights of automobile dealers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2009

Mr. MAFFEI (for himself, Mr. KRATOVIL, Mr. VAN HOLLEN, Mr. HOYER, Mr. McMAHON, Ms. SUTTON, Mr. BARTLETT, Mr. HALL of New York, Mr. POSEY, Mr. HEINRICH, Mr. PAULSEN, Ms. SHEA-PORTER, Mr. MANZULLO, Mr. DEFAZIO, and Mr. DAVIS of Alabama) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To restore the economic rights of automobile dealers, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Automobile Dealer
5 Economic Rights Restoration Act of 2009”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

1 (1) Automobile dealers are an asset to auto-
2 mobile manufacturers that make it possible to serve
3 communities and sell automobiles nationally.

4 (2) Forcing the closure of automobile dealers
5 would have an especially devastating economic im-
6 pact in rural communities, where dealers play an in-
7 tegral role in the community, provide essential serv-
8 ices and serve as a critical economic engine.

9 (3) The manufacturers obtain the benefits from
10 having a national dealer network at no material cost
11 to the manufacturers.

12 (4) Historically, automobile dealers have had
13 franchise agreement protections under State law.

14 **SEC. 3. RESTORATION OF ECONOMIC RIGHTS.**

15 (a) In order to protect assets of the Federal Govern-
16 ment and better assure the viability of automobile manu-
17 facturers in which the Federal Government has an owner-
18 ship interest, or to which it is a lender, an automobile
19 manufacturer in which the Federal Government has an
20 ownership interest, or which receives loans from the Fed-
21 eral Government, may not deprive an automobile dealer
22 of its economic rights and shall honor those rights as they
23 existed, for Chrysler LLC dealers, prior to the commence-
24 ment of the bankruptcy case by Chrysler LLC on April
25 30, 2009, and for General Motors Corp. dealers, prior to

1 the commencement of the bankruptcy case by General Mo-
2 tors Corp. on June 1, 2009, including the dealer's rights
3 to recourse under State law.

4 (b) In order to preserve economic rights pursuant to
5 subsection (a), at the request of an automobile dealer, an
6 automobile manufacturer covered under this Act shall re-
7 store the franchise agreement between that automobile
8 dealer and Chrysler LLC or General Motors Corp. that
9 was in effect prior to the commencement of their respec-
10 tive bankruptcy cases and take assignment of such agree-
11 ments.

12 (c) Except as set forth herein, nothing in this Act
13 is intended to make null and void:

14 (1) the court approved transfer of substantially
15 all the assets of Chrysler LLC to New CarCo Acqui-
16 sition LLC; or

17 (2) a transfer of substantially all the assets of
18 General Motors Corp. that could be approved by a
19 court after the date of introduction of this Act.

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