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(Original Signature of Member)

111TH CONGRESS
1ST SESSION

H. R. _____

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

IN THE HOUSE OF REPRESENTATIVES

Mr. MAFFEI (for himself and _____) introduced the following bill;
which was referred to the Committee on _____

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; and

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.