

AMENDMENT NO. _____ Calendar No. _____

Purpose: To address reimbursement of certain costs to certain automobile dealers.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

H. R. 1256

To protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products, to amend title 5, United States Code, to make certain modifications in the Thrift Savings Plan, the Civil Service Retirement System, and the Federal Employees' Retirement System, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CORKER

Viz:

1 At the appropriate place, insert the following:

2 **SEC. ____ . REIMBURSEMENT OF AUTOMOBILE DISTRIBUTORS.**
3

4 (a) IN GENERAL.—Notwithstanding any other provi-
5 sion of law, any funds provided by the United States Gov-
6 ernment, or any agency, department, or subdivision there-
7 of, to an automobile manufacturer or a distributor thereof

1 as credit, loans, financing, advances, or by any other
2 agreement in connection with such automobile manufac-
3 turer's or distributor's proceeding as a debtor under title
4 11, United States Code, shall be conditioned upon use of
5 such funds to fully reimburse all dealers of such auto-
6 mobile manufacturer or manufacturer's distributor for—

7 (1) the cost incurred by such dealers in acquisi-
8 tion of all parts and inventory in the dealer's posses-
9 sion as of the date on which the proceeding under
10 title 11, United States Code, by or against the auto-
11 mobile manufacturer or manufacturer's distributor
12 is commenced, on the same basis as if the dealers
13 were terminating pursuant to existing franchise
14 agreements or dealer agreements; and

15 (2) all other obligations owed by such auto-
16 mobile manufacturer or manufacturer's distributor
17 under any other agreement between the dealers and
18 the automobile manufacturer or manufacturer's dis-
19 tributor, including, without limitation, franchise
20 agreement or dealer agreements.

21 (b) INCLUSION IN TERMS.—Any note, security agree-
22 ment, loan agreement, or other agreement between an
23 automobile manufacturer or manufacturer's distributor
24 and the Government (or any agency, department, or sub-
25 division thereof) shall expressly provide for the use of such

1 funds as required by this section. A bankruptcy court may
2 not authorize the automobile manufacturer or manufac-
3 turer's distributor to obtain credit under section 364 of
4 title 11, United States Code, unless the credit agreement
5 or agreements expressly provided for the use of funds as
6 required by this section.

7 (c) EFFECTIVENESS OF REJECTION.—Notwith-
8 standing any other provision of law, any rejection by an
9 automobile manufacturer or manufacturer's distributor
10 that is a debtor in a proceeding under title 11, United
11 States Code, of a franchise agreement or dealer agreement
12 pursuant to section 365 of that title, shall not be effective
13 until at least 180 days after the date on which such rejec-
14 tion is otherwise approved by a bankruptcy court.