

Dear Speaker Pelosi and Leader McCarthy:

We write to request consideration of provisions to support jobs and economic stabilization of the motor vehicle industry in future COVID-19 pandemic legislative proposals. Nearly 10 million jobs, representing 5 percent of private American employment, are driven by this sector. As you well know, fourteen automakers build cars and light trucks in America. The motor vehicle industry depends on a complex network of thousands of companies supplying parts, components and materials, to giant production platforms, employing thousands of workers, as well as a vast retail and vehicle maintenance network of dealers. The auto sector has such an expansive reach to every state, delivering economic benefits, creating jobs in so many different sectors in every Congressional district, and leading America into a new era of innovation in clean energy and mobility solutions. In many communities, production plants are the spine of the local economy.

Through this global pandemic, the importance of domestic manufacturing has reemerged broadly. As the Congressional Auto Caucus has highlighted for years, there is little denying the need to reexamine and adjust supply chains and focus efforts to strengthen our manufacturing base.

The automotive manufacturing base and resulting industry has been hit hard by the economic stress of the COVID 19 crisis. Represented by manufacturers, suppliers, dealers, and many auto affiliated businesses, the automotive industry employs roughly 10 million American workers. Annually it drives more than \$953 billion into the economy through the sales, servicing of autos, and paychecks for workers throughout the sector, as well as income for auto-related small business, and government revenues. Historically, the vehicle industry has contributed 3-3.5 percent of America's total gross domestic product and 5.1 percent of private-sector employment. America's motor vehicle industry must remain the heart of our nation's manufacturing capability.

The projected economic fallout for the industry is grave. Manufacturers moved swiftly to fill the desperate call for additional personal protective equipment and ventilators where they could. But sales are projected to drop as much as 30 percent for the year, from over 17 million cars sold in 2019. April was the worst month in decades for car sales. Rental car companies struggle on the brink of closing forever. Many businesses in the industry face a cash crunch even as they prepare to ramp back up. Liquidity is challenging, particularly for suppliers, and it will be necessary to support demand for some time to ensure a meaningful recovery. In some regards, challenges the industry face exceed those of the 2008 financial meltdown. As workers begin to be called back during the Covid-19 pandemic, serious challenges confront the protocols under which this must be organized to assure worker safety. Significant organizational costs will attend to this process.

We look forward to working with you to craft a prudent response. Given the enormity of the industry's economic footprint throughout our nation and its significant legacy, we

seek your assurance that an appropriate response will be included so that American workers in the automotive industry can help drive a robust recovery.