

Introduced by Senator Corbett

(Principal coauthor: Assembly Member Torrico)

(Coauthor: Senator Wright)

(Coauthors: Assembly Members Gaines and Solorio)

July 23, 2009

Senate Concurrent Resolution No. 53—Relative to New United Motor Manufacturing, Inc.

LEGISLATIVE COUNSEL'S DIGEST

SCR 53, as introduced, Corbett. New United Motor Manufacturing, Inc.

This measure would make various statements regarding the importance of New United Motor Manufacturing, Inc. (NUMMI) to the California economy and would declare the intent of the Legislature to do everything in its power to keep NUMMI in California.

Fiscal committee: no.

- 1 WHEREAS, The Legislature is currently convening in special
- 2 session to address the state's fiscal emergency; and
- 3 WHEREAS, The Legislature must employ its vested powers to
- 4 protect the state's workers and industries; and
- 5 WHEREAS, California once boasted eight automobile
- 6 manufacturing plants within its borders; and
- 7 WHEREAS, The one remaining automobile manufacturing plant
- 8 in the western United States resides in Fremont, California; and
- 9 WHEREAS, This one remaining plant, New United Motor
- 10 Manufacturing, Inc. (NUMMI), represents a 50-50 joint venture
- 11 formed in 1984 between General Motors Corporation and Toyota
- 12 Motor Corporation; and

1 WHEREAS, General Motors recently declared bankruptcy,
2 thereby relinquishing its shares in NUMMI to Toyota or any other
3 entity willing to purchase those shares; and

4 WHEREAS, NUMMI produces approximately 250,000 cars
5 and 170,000 trucks on an annual basis; and

6 WHEREAS, NUMMI employs nearly 4,700 workers who live
7 throughout the San Francisco Bay area and, through its purchase
8 of supplies, supports over 15,000 more workers throughout the
9 state; and

10 WHEREAS, The closure of NUMMI would cause destructive
11 reverberations throughout California's economy; and

12 WHEREAS, NUMMI supports local economies and major
13 industries in all areas of the state by purchasing products from
14 over 1,000 suppliers, vendors, and small-parts manufacturers,
15 totaling \$523 million in annual payroll and benefits; and

16 WHEREAS, Shipping industries such as the Port of Oakland
17 and the Union Pacific Railroad greatly depend on the existence of
18 NUMMI; and

19 WHEREAS, The loss of NUMMI from California would have
20 a longstanding and devastating impact on the people of the state;
21 and

22 WHEREAS, As a state, California is Toyota's largest market;
23 now, therefore, be it

24 *Resolved by the Senate of the State of California, the Assembly*
25 *thereof concurring,* That it is the Legislature's priority to take swift
26 and decisive action to protect its workers and industries; and be it
27 further

28 *Resolved,* That the Legislature declares its intent to do everything
29 in its power to keep NUMMI in California; and be it further

30 *Resolved,* That the Secretary of the Senate transmit copies of
31 this resolution to the author for appropriate distribution.