



**AMERICANS FOR  
PROSPERITY®**

2111 Wilson Blvd., Suite 350 | Arlington, VA 22201 | p: (866) 730-0150 f: (703) 224-3201

July 23, 2012

Dear Chairman Upton and Representative Stearns,

On behalf of more than two million Americans for Prosperity activists in all 50 states, I am writing in support of the No More Solyndras Act. Your legislation would provide much-needed taxpayer protections from the Department of Energy (DOE) loan guarantee program.

Your bill would phase out DOE's loan guarantee program, which was established under Title XVII of the Energy Policy Act of 2005. It also includes taxpayer protections and increased reporting requirements for loan guarantees that are already moving forward. Your bill would also stop DOE from subordinating taxpayers' interests to those of other project financiers. These are all important protections for taxpayers.

Ending the DOE program is good policy. In practice, loan guarantee programs for renewable energy technologies consistently fail to produce the results they promise. Solyndra left taxpayers on the hook for half a billion dollars and, unfortunately, it's not an isolated case. Time and time again, American taxpayers are forced to prop up companies that aren't viable in the marketplace.

Although your legislation is a step in the right direction, AFP is concerned that it overlooks some loan guarantees that are already in motion. Currently there are \$34.7 billion in pending applications for the program; we're concerned about the potential for taxpayer exposure to these losses.

Government should not be in the business of advantaging the capital needs of certain industries or individual companies over others. Government officials in Washington are not in the best position to make predictions about the future or to anticipate what consumers will demand. Renewable energy technologies have a long way to go before they are economically viable, and the government should limit its role to primary R&D and leave capitalization of private firms to those best able to determine if a plan is viable.

Sincerely,

James Valvo

Director of Policy, Americans for Prosperity

*Americans for Prosperity® (AFP) is a nationwide organization of citizen leaders committed to advancing every individual's right to economic freedom and opportunity. AFP believes reducing the size and scope of government is the best safeguard to ensuring individual productivity and prosperity for all Americans. AFP educates and engages citizens in support of restraining state and federal government growth and returning government to its constitutional limits. AFP has more than 2 million members, including members in all 50 states, and 36 state chapters and affiliates.*

*More than 90,000 Americans in all 50 states have made a financial investment in AFP or AFP Foundation. For more information, visit*

*[www.americansforprosperity.org](http://www.americansforprosperity.org). Americans for Prosperity does not support or oppose candidates for public office.*

###