



**TADA**  
Texas Automobile Dealers Association

## What Does Conservative Media Say About Tesla Requests for Special Rules?

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“...it is dangerous to allow Tesla to portray itself as a free-market champion, because the company is actually a prodigious harvester of government favors and handouts.”

“Tesla and its apologists constantly tout the fact that the company paid off its hefty \$465 million taxpayer-subsidized loan from the Department of Energy early, but they don’t explain why: Had the loan not been paid early, the U.S. Treasury stood to grab a significant portion of the company’s increased stock price by exercising warrants. Capitalizing on the subsidy-stoked electric-car mania that pumped its stock to record levels, Tesla issued \$450 million in new stock to pay the loan early and cancel those warrants. The shrewd deal cost taxpayers about a billion dollars, leading Scott Woolley to conclude: “Tesla is worse than Solyndra.”

“Tesla has effectively socialized its costs through subsidized loans, tax credits, abatements, and regulatory schemes while privatizing its gains by canceling the warrants owned by taxpayers.”

“Every time a Tesla is sold, we witness a transfer of wealth to a rich hobbyist (most Teslas are their owners’ third or fourth car), while average Americans are on the hook for at least \$30,000 in federal and state subsidies. Tesla is more a regulatory arbitrageur than an auto manufacturer.”

“Yet the company and Musk are now free-market heroes because they want to disrupt the franchised-dealer system? Sorry, but no.”

As Mike Jackson, CEO of AutoNation, the largest U.S. auto-retailing company, aptly put it: “There’s a certain irony here that as Elon Musk complains about government intervention and government protectionism, he wouldn’t exist without the government.”

“...nobody should mistake Tesla for a friend of the free market.”

Sources: Tesla and Its Subsidies  
Phil Kerpen, National Review 1.26.2015

Source: Tesla Is No Free Market Champion  
John Merline, Investor’s Business Daily 1.26.2015

**Invested in Texas**