

# RNC Research BRIEFING

## Terry McAuliffe's Bad Week

***Democrat Virginia Governor Candidate Terry McAuliffe Wins For The Worst Week In Politics***

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**MCAULIFFE REVEALED THAT HE HAD "QUIETLY RESIGNED" FROM THE COMPANY HE HAS BEEN TOUTING AS PROOF OF HIS BUSINESS ACUMEN**

**Last Friday, It Was Revealed That Terry McAuliffe "Quietly Resigned Late Last Year From The Electric Car Company He Founded."** "Democratic Virginia gubernatorial candidate Terry McAuliffe quietly resigned late last year from the electric car company he founded, the company confirmed Friday. McAuliffe stepped down as GreenTech Automotive Inc.'s chairman sometime before Dec. 1, which is the date of a letter from GreenTech's chief executive, Charles Wang, accepting McAuliffe's resignation. Wang's letter, forwarded by a company official Friday, thanks McAuliffe for his service but does not mention any reason for his departure or specify the date of his resignation." (Frederick Kunkle, "McAuliffe Quietly Resigned Last Year From Electric Car Firm He Founded," [The Washington Post](#), 4/5/12)

- **"McAuliffe Has Recently Been Identified In Media Accounts As Chairman Of GreenTech Automotive And The GreenTech Website Lists No Press Release Announcing His Departure."** (Alexander Burns, "Terry McAuliffe Left Car Firm In December," [Politico](#), 4/5/13)
- **"GreenTech, Which Manufactures Electric Cars, Is A Part Of The Story McAuliffe Has Told About The Experience He'd Bring To The Governor's Mansion."** (Alexander Burns, "Terry McAuliffe Left Car Firm In December," [Politico](#), 4/5/13)
- **"The Company Was Prominently Profiled In The New York Times Last July Under The Headline: 'Terry McAuliffe And The Other Green Party.'"** (Alexander Burns, "Terry McAuliffe Left Car Firm In December," [Politico](#), 4/5/13)

***McAuliffe's Company Made Big Promises, But Has Yet To Deliver***

**"Terry McAuliffe's Solyndra."** (Kimberly Strassel, Op-Ed, "Terry McAuliffe's Solyndra," [The Wall Street Journal](#), 4/11/13)

**GreenTech Promised In Its First Phase That It Would "Invest \$1 Billion, Employ 1,500 And Produce 150,000 Cars Annually."** "GreenTech bragged that in its first phase alone it would invest \$1 billion, employ 1,500 and produce 150,000 cars annually. Mr. McAuliffe grandly unveiled his signature MyCar last July at a rock-star event attended by Messrs. Clinton and Barbour. Business creds in hand, he then announced his run for governor—and the problems began." (Kimberly Strassel, Op-Ed, "Terry McAuliffe's Solyndra," [The Wall Street Journal](#), 4/11/13)

- **Despite Its Production Promises, GreenTech Is Not "Manufacturing Cars In Any Volume."**

“This is of particular interest, since GreenTech looks to be a lemon. Despite promising production in 2011, there is no evidence the company is manufacturing any cars in volume. It is operating out of a temporary site and has yet to begin building its flagship factory in Tunica. GreenTech is the latest proof (after Solyndra, Fisker, A123 and others) that the political class is adept at hooking up cronies and investors with taxpayer dollars. But creating jobs? No can do.” (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

- **“The Company, Mr. McAuliffe Would Now Like Everyone To Know, Has Nothing To Do With Him.”** “This may explain the latest news bomblet. Mr. McAuliffe continued flogging his GreenTech credentials this year, appearing in January at a trade show under the title ‘chairman of GreenTech Automotive.’ Recent media reports have also used that title—with no protest from the candidate. But as the heat mounted, his campaign last week released a letter that claims Mr. McAuliffe had resigned from GreenTech by Dec. 1, 2012. The company, Mr. McAuliffe would now like everyone to know, has nothing to do with him.” (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

## **MCAULIFFE TOLD VIRGINIA VOTERS THAT HE TOOK HIS BUSINESS TO MISSISSIPPI WHEN VIRGINIA REJECTED IT, BUT THAT’S NOT THE REAL STORY**

**In 2009, McAuliffe’s GreenTech Announced It Would Build A Plant In Tunica, Mississippi.** “The former DNC chief is no stranger to moneymaking, having once used a friendly union pension fund to spin a \$100 investment in a Florida land deal into \$2.45 million. GreenTech, however, was designed to shed the moneyman image and to reposition Mr. McAuliffe as a (clean) job creator the way Mark Warner and Bob McDonnell used their pro-business credentials to win office in Virginia. To this end, Mr. McAuliffe got out the political Rolodex and went on the money hunt. By October 2009, GreenTech announced it would build a plant in Tunica, Miss., after the state (under Republican then-Gov. Haley Barbour) promised at least \$5 million in public loans and grants to aid the company moving in.” (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

- **When Asked Why McAuliffe Located GreenTech In Mississippi Rather Than Virginia, He Responded That Virginia “Didn’t Want To Bid On” It And Criticized The State For “Not Going After Manufacturing Jobs Like This.”** “Among the first questions he was asked was why, as a proud ‘Virginia’ businessman, he’d located his business in Mississippi. Scrambling, Mr. McAuliffe stated that he had wanted to bring his jobs home but the Virginia Economic Development Partnership ‘didn’t want to bid on’ GreenTech—whereas Mississippi had offered incentives. He went so far as to criticize the state for not going after manufacturing jobs like his, suggesting he’d change that.” (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

**“After An Investigation, Media Outlets Discovered That Virginia Never Received Enough Information From GreenTech To Proceed.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

- **Rather Than Address Virginia’s Concerns About Its Business Model, GreenTech Simply Took Its Business To Mississippi.** “The Associated Press reported that the state agency worried that ‘GreenTech lacked brand recognition; had not demonstrated vehicle performance; had no federal safety and fuel-economy certification; no emissions approval . . . no distribution network’ and (ouch) ‘no demonstrated automotive industry experience within the executive management team.’ Rather than respond to these concerns, GreenTech moved on with Mississippi (which perhaps wasn’t asking annoying questions).” (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

**The Roanoke Times Editorial: McAuliffe Owes Virginians “A Clear Explanation Why GreenTech Chose Mississippi, Not Virginia For A Manufacturing Plant.”** “McAuliffe, the Democratic nominee by default, promotes himself as a job-creating entrepreneur. He has used GreenTech to try to burnish that

image. He should have a clear explanation why GreenTech chose Mississippi, not Virginia, for a manufacturing plant.” (Editorial, “Business Affairs Need Airing,” [The Roanoke Times](#), 4/12/13)

- ***The Roanoke Times* Editorial: “If McAuliffe Wants Voters To See Him As Something More Than A Democratic Power Player, He Should Clearly Explain The Decision-Making That Led GreenTech To Mississippi Rather Than Virginia.”** “If McAuliffe wants voters to see him as something more than a Democratic power player, he should clearly explain the decision-making that led GreenTech to Mississippi rather than Virginia. Otherwise, the slow drip of news stories might weigh down his candidacy before the campaign kicks into high gear.” (Editorial, “Business Affairs Need Airing,” [The Roanoke Times](#), 4/12/13)

### ***Virginia Officials Had Concerns About The Company's Financing***

**“Virginia Officials Expressed Concerns About Several Aspects Of GreenTech, Including Its Financing. Among Those Concerns Was That The Project Would Rely Too Heavily On A Federal Program That Provides Visas To Foreign Investors Who Create U.S. Jobs.”** (Laura Vozzella and Frederick Kunkle, “Democrat Terry McAuliffe’s Role In GreenTech Scrutinized,” [The Washington Post](#), 4/10/13)

**“Virginia Was Particularly Alarmed By GreenTech's Use Of An Opaque Visa Program, Called EB-5, To Fund Itself.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

- **“Part Of A 1990 Immigration Law, EB-5 Lets Foreigners Who Invest At Least \$500,000 In A U.S. Company Receive Green Cards. A Federal Immigration Agency Approves ‘Regional Centers’ That Administer The Program.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)
- **“While These Centers Can Be Run By Local Government, GreenTech Proposed Running A Virginia Center Itself.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)
- **“GreenTech Is Today Using Its Own Investment Vehicle To Run A Regional Center In Mississippi. The President And CEO Of Gulf Coast Funds Management Is Anthony Rodham, The Youngest Brother Of Hillary Clinton.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)
- **“Its Board Is Composed Of Democratic Party Insiders, From Former Clinton IRS Commissioner Margaret Richardson To Former Louisiana Gov. Kathleen Blanco.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)
- **“Neither The Immigration Agency, Nor GreenTech Or Gulf Coast, Has Divulged How Much Money The Company Has Raised Via EB-5, Or How Many Visas It Has Issued.”** (Kimberly Strassel, Op-Ed, “Terry McAuliffe’s Solyndra,” [The Wall Street Journal](#), 4/11/13)

**Last Week, Newly Released 2009 Emails From Virginia Economic Development Officials About The Project Created “Trouble” For McAuliffe.** “More trouble surfaced Wednesday in the form of e-mails that Virginia economic development officials exchanged about the project in 2009, when McAuliffe considered locating the facility in the commonwealth.” (Laura Vozzella and Frederick Kunkle, “Democrat Terry McAuliffe’s Role In GreenTech Scrutinized,” [The Washington Post](#), 4/10/13)

- **“One Official Went So Far As To Write That She Was Concerned That The Project Was ‘A Visa-For-Sale Scheme With Potential National Security Implications,’ According To An E-Mail Obtained By The Washington Post.”** (Laura Vozzella and Frederick Kunkle, “Democrat Terry McAuliffe’s Role In GreenTech Scrutinized,” [The Washington Post](#), 4/10/13)
- **Liz Povar, Vice President For Business Expansions At The Virginia Economic Development Partnership Said She Had “Serious Concerns” About The GreenTech Project.** “I maintain serious concerns about the establishment of an EB-5 center in general, and most specifically, based on this company,” Liz Povar, vice president for business expansions at the Virginia Economic Development Partnership, wrote in the e-mail to colleagues in November 2009. ‘Not only based on

(lack of) management expertise, (lack of) market preparation, etc. but also still can't get my head around this being anything other than a visa-for-sale scheme with potential national security implications that we have no way to confirm or discount." (Laura Vozzella and Frederick Kunkle, "Democrat Terry McAuliffe's Role In GreenTech Scrutinized," [The Washington Post](#), 4/10/13)

- **"Roy C. Dahlquist, Then International Investment Manager At The Partnership, Responded: 'Liz, Please Note That I Agree With Your Observations And Opinions On This Subject.'"** (Laura Vozzella and Frederick Kunkle, "Democrat Terry McAuliffe's Role In GreenTech Scrutinized," [The Washington Post](#), 4/10/13)
- **"At The Time That They Exchanged The E-Mails About GreenTech, Povar And Dahlquist Were Serving Under Gov. Timothy M. Kaine (D) At The Partnership, An Independent, State-Funded Authority. Both Remain At The Agency Under Gov. Robert F. McDonnell (R)."** (Laura Vozzella and Frederick Kunkle, "Democrat Terry McAuliffe's Role In GreenTech Scrutinized," [The Washington Post](#), 4/10/13)

## **MCAULIFFE'S GREENTECH OWED THE STATE OF MISSISSIPPI \$225,000 IN BACK TAXES**

**GreenTech Owed Back Taxes On Land It Owns In Mississippi.** "Having never held elective office, Democrat Terry McAuliffe touts his leadership of an electric car company and other business ventures as proof that he has the executive experience needed to run Virginia as governor. His role in GreenTech Automotive, however, has drawn intense scrutiny over the past few days, when it was learned that he quietly resigned as chairman months ago and that the company owed back taxes on land it owns in Mississippi." (Laura Vozzella and Frederick Kunkle, "Democrat Terry McAuliffe's Role In GreenTech Scrutinized," [The Washington Post](#), 4/10/13)

**This Week, GreenTech Paid Its Back Taxes After NBC12 In Richmond Reported On It.** "On Wednesday, NBC12 in Richmond reported that GreenTech has been in arrears as of this week on a 100-acre property in Tunica County, Miss. But the tax payment was applied this week, county assessor Norma Anderson said. 'It posted late, but it's posted,' Anderson said." (Laura Vozzella and Frederick Kunkle, "Democrat Terry McAuliffe's Role In GreenTech Scrutinized," [The Washington Post](#), 4/10/13)

- **GreenTech Owed \$225,000 In Back Taxes.** "The company owns 100 acres in Tunica appraised at \$1.5 million; its assessed value — or the amount on which taxes must be paid — was \$225,000, she said." (Laura Vozzella and Frederick Kunkle, "Democrat Terry McAuliffe's Role In GreenTech Scrutinized," [The Washington Post](#), 4/10/13)