



May 11th, 2023

The Honorable Steve Womack
Chair, House Financial Services and Government Subcommittee
Room S-128, The Capitol,
Washington, D.C. 20510

Re: The Financial Services and General Government Subcommittee Mark Up of the 2024 FSGG Appropriations

Dear Chairman Womack and Members of the Subcommittee on Financial Services and Government:

On behalf of our more than 3,400 member locations we write today to express our concern with the Federal Trade Commission's Notice of Proposed rulemaking Motor Vehicle Dealers Trade Regulation Rule No. P204800 (MVDTRR), and **kindly ask that you include language in the 2024 Financial Services and Government Subcommittee to pause this rule from taking effect.** The Marine Retailers Association of the Americas (MRAA) is the leading trade association representing boat retailers, accessory stores, and marinas and is dedicated to supporting the entirety of the recreational boating industry through dealer success.

The MRAA represents small businesses, the majority of marine retailers are owner-operated and stand to be significantly impacted by the proposed rule. Not only will the MVDTRR stand to hurt MRAA members, but it will negatively impact the recreational boating industry as a whole, which as the backbone an annual economic impact of \$230 billion, and supports 812,558 jobs at more than 36,000 businesses. Furthermore, annual sales of new boats, trailers, and accessories is valued at \$36 billion, and the MVDTRR stands to negatively impact this figure, directly impacting marine dealers, manufactures, and the many other small businesses and communities that benefit from recreational boating.

The MRAA is tremendously concerned on the impact the proposed MVDTRR as well as the FTC's lackluster scoping process to collect information to understand the impact this rule would have on impacted industries. The MRAA submitted formal comments in September during the comment period, [which can be viewed here](#), but below is a brief outline of our concerns.

- MRAA's Members Are Committed to Transparency with Consumers, Fair Dealing in Transactions with Consumers, and Accuracy in All Communications with Consumers; and the Consumer Harms Presents in the Automobile Industry are not Found in the Marine Industry.
- The Marine and boat market industry is fundamentally different from the automotive industry, as the consumer's profile, needs, expectations, and dealings are clearly distinguishable
- The harms the FTC is concerned about do not exist in the marine industry, as there are no enforcement actions or litigation demonstrating deception or unfairness, and there are very little, if any, consumer complaints against the industry.
- Marine dealers are much smaller than vehicle dealers, such that the impact of the

- proposed regulations will likely be severe on the operations in the marine industry
- The MVDRR was not drafted with recreational boat and vessel sales in mind, therefore the regulations proposed do not directly apply to marine retailers, causing uncertainty and confusing to comply with the NPRM.
 - The FTC did not adequately conduct stakeholder input to understand the NPRM would have on all included industries.
 - The FTC rejected MRAA's request to extend the public comment period and did not provide adequate time to marine industry and other impacted industries to gather member input and submit comprehensive comments and answers to the proposed questions.
 - The FTC did not perform an adequate Regulatory Flexibility Analysis and FAILED to consider the impact of the NPRM on marine businesses, and other entities included under the rule.
 - The FTC opened the public comment period during the summer months, which is the height of any marine retailers' season, acting as a major barrier for marine dealer input and engagement on the NPRM.

Due to the reasons listed above, and many more, the MRAA kindly request that the House Subcommittee on Financial Services and General Government include the below language in an appropriations rider, or report language, to deny funding for the FTC to finalize or implement the proposed Motor Vehicle Trade Regulation Rule.

Requested Language

- *"None of the funds made available by this Act may be used to finalize, implement or enforce the Motor Vehicle Dealers Trade Regulation Rule published in the Federal Register on July 13, 2022."*
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Again, on behalf of our more than 3,500 member locations we thank you for your attention to this matter and hope that you press pause on this rule that undoubtedly stands to hurt small marine businesses and the entirety of the outdoor recreation economy. If you have any further questions please reach out to Chad Tokowicz, MRAA Government Relations Manager at Chad@mraa.com.

Sincerely,



Chad Tokowicz
Government Relations Manager
Marine Retailers Association of the Americas

Cc: The Honorable David Joyce
The Honorable Ashley Hinson
The Honorable Jerry Carl
The Honorable Mark Amodei
The Honorable John Moolenaar
The Honorable Michael Cloud
The Honorable Julian Ciscomani
The Honorable Steny Hoyer
The Honorable Matt Cartwright

The Honorable Mark Pocan
The Honorable Sanford Bishop
The Honorable Norma Torres
The Honorable Rosa DeLauro