



November 8, 2023

The Honorable Mike Johnson
Speaker of the House
H-232, The Capitol
Washington, D.C. 20515

Dear Mr. Speaker,

On behalf of the National Automobile Dealers Association (NADA), representing more than 16,000 franchised new car dealerships which collectively employ 1.1 million people, and are mostly small businesses as defined by the Small Business Administration, I am writing in strong support of the FY 24 Financial Services and General Government Appropriations Act (H.R. 4664). This legislation is scheduled to be considered by the House of Representatives tomorrow.

H.R. 4664 includes a provision (Sec. 530) which would stop the Federal Trade Commission (FTC) for one year from finalizing, implementing, or enforcing its proposed "Motor Vehicle Dealers Trade Regulation Rule" (known as the "Vehicle Shopping Rule"). The FTC's overreaching rule would make vehicle shopping worse, not better, as its \$38.1 billion regulatory cost would drive up car prices for consumers and impose onerous and unnecessary regulatory burdens on small business dealers. Congress did not mandate this proposed rule, which would significantly increase paperwork, the complexity of the car buying process and also lengthen the time to shop for a vehicle by two hours.

Enactment of this provision would not affect the FTC's ability to enforce the law, as each business practice covered by the rule is already regulated under existing law. Considering the numerous and critical flaws in the "Vehicle Shopping Rule," passage of Sec. 530 affords the FTC an opportunity to conduct an informed rulemaking with basic regulatory safeguards that it did not undertake when it issued its "Vehicle Shopping Rule," such as issuing an Advance Notice of Proposed Rulemaking, conducting a quantitative study on auto retailing, undertaking consumer testing of any new proposed mandates or performing a cost-benefit analysis based on actual data.

The FTC's unwarranted and expensive "Vehicle Shopping Rule", which would hurt the ability of the auto retail market to streamline and modernize the car buying process, is the top issue facing America's franchised dealers today. On behalf of franchised dealers, their employees and customers who would be negatively impacted by this proposed rule, I urge Congress to pass H.R. 4664 and preserve Sec. 530 in this legislation and in the final FY24 legislation.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Stanton", written in a cursive style.

Mike Stanton
President and CEO