



United States Senate

WASHINGTON, DC 20510-0905

June 3, 2010

The Honorable Christopher J. Dodd
Chairman, Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Barney Frank
Chairman, House Committee on Financial
Services
2129 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Dodd and Chairman Frank,

As you begin formal conference committee deliberations, we ask that careful attention be given to the scope of the motor vehicle dealer exclusion, as it applies to the new consumer financial regulatory entity. Specifically, we urge you to incorporate language from Senate amendment 3789 that would extend the exclusion to licensed dealers of recreational boats and marine equipment, motor homes, recreational vehicle trailers, and slide-in campers.

Both the House and Senate versions of Wall Street reform create a new consumer financial protection entity. The House legislation, however, exempts motor vehicle dealers primarily engaged in the sale, leasing, or servicing of motor vehicles from the reach of the new agency. For purposes of the House provision, a motor vehicle means any self-propelled vehicle designed for transporting persons or property on a street, highway, or other road.

While the Senate bill does not include the same statutory exemption, the full Senate overwhelmingly approved a motion to instruct conferees to insist that the final conference report include the House provision, along with the additional provisions, definitions, and protections related to motor vehicle dealers in Senator Brownback's amendment. The amendment would clarify that motor vehicle dealers include persons licensed to sell recreational boats and marine equipment, motor homes, recreational vehicle trailers, and slide-in campers, as defined in federal regulations.

The same rationale for excluding auto dealers from the new consumer agency applies to boat and RV dealers. Boat and RV dealers do not originate loans, they assist qualified consumers in securing financing. The banks originating the motor vehicle loans will be regulated by the new agency. Moreover, boat and RV dealers tend to be small businesses. New paperwork and reporting requirements will hinder their ability to grow and create jobs.

We appreciate your attention to our request. Creating a false regulatory distinction between auto and other motor vehicle dealers would undermine these objectives. We urge you to include the Brownback motor vehicle definitions in the final bill.

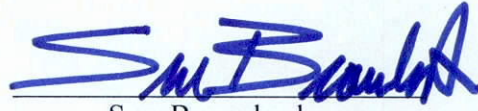
Sincerely,

Bill Nelson

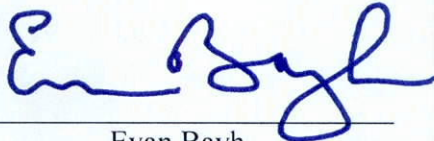
Charles Grassley



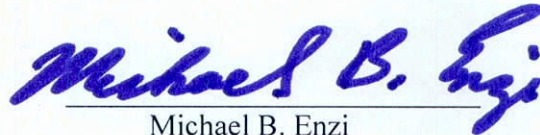
Patty Murray



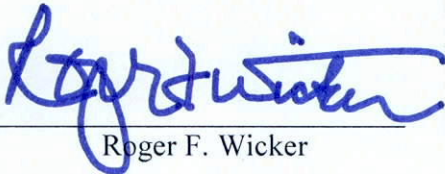
Sam Brownback



Evan Bayh



Michael B. Enzi



Roger F. Wicker



Richard Burr

CC:

The Honorable Tim Johnson
The Honorable Jack Reed
The Honorable Charles E. Schumer
The Honorable Richard C. Shelby
The Honorable Bob Corker
The Honorable Mike Crapo
The Honorable Judd Gregg
The Honorable Blanche L. Lincoln
The Honorable Patrick J. Leahy
The Honorable Tom Harkin
The Honorable Saxby Chambliss