



CENTER FOR  
AUTOMOTIVE  
RESEARCH

**Assessment of Cost  
Associated with the  
Implementation of the  
Federal Trade Commission  
Notice of Proposed  
Rulemaking  
(RIN 2022-14214), CFR Part  
463**

**ADDENDUM**

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# About the Authors

The Center for Automotive Research (CAR) is an independent, non-profit organization conducting industry-driven research and analysis. Focusing on critical areas like Energy & Sustainability, Technology, and Labor, Economics, and Policy, CAR has been a trusted resource for the automotive industry for over twenty years. [www.cargroup.org](http://www.cargroup.org)

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CAR's mission is to inform and advise through independent research, education, and dialogue, enabling a more viable and sustainable automotive ecosystem.

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# Background

In May of 2023, the Center for Automotive Research (CAR) produced an assessment of costs associated with the implementation of the Federal Trade Commission (FTC) notice of proposed rulemaking Motor Vehicle Dealers Trade Regulation Rule (16 C.F.R. § 463) (“Proposed Rule”), called the Assessment of Costs Associated with the Implementation of the Federal Trade Commission Notice of Proposed Rulemaking

(RIN 2022-14214), CFR Part 463 (“CAR Report”). On January 4, 2024, the FTC issued the Combating Auto Retail Scams Trade Regulation Rule (“Final Rule”) and Statement of Basis and Purpose (“SBP”)<sup>1</sup>. The Final Rule had several changes from the Proposed Rule on which the original CAR Report was based. In response to these differences, CAR, at the request of the National Automobile Dealers Association (NADA), has reassessed the costs associated with the Final Rule and reports its findings in this addendum to the original May 2023 CAR Report.

## Methodology

The original CAR Report relied primarily on interview and survey data gathered from NADA member companies. The dealership questionnaire was structured such that responses could be associated to specific sections of the Proposed Rule, as seen in the FTC’s Motor Vehicle Dealers Trade Regulation – Survey “Tear Sheet”. This questionnaire structure allows CAR to review the changes made in the Final Rule compared to the Proposed Rule, on which the original CAR Report was based, and reassess the cost impact results.

CAR reviewed the Final Rule, which is largely a subset of the Proposed Rule. The costs associated with the Final Rule were then assessed by recomputing the original CAR Report with the results associated with the reserved sections from the Proposed Rule removed from the analysis. Other assumptions stated in the original CAR Report remain unchanged to maintain comparability of this updated assessment of the Final Rule provisions with the original assessment of the Proposed Rule. This includes the estimated number of vehicle units sold annually, the number of dealerships, and the per-hour value of the average consumer’s non-work time.

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<sup>1</sup> <https://www.federalregister.gov/documents/2024/01/04/2023-27997/combating-auto-retail-scams-trade-regulation-rule>

# Changes in Final Rule and Impact to Survey Questionnaire

Part 463 of the Final Rule is largely a subset of part 463 of the Proposed Rule. Changes are detailed in Table 1, along with questions from the dealership questionnaire associated with each relevant section. Only changes in the Final Rule that affect the cost assessment are included in Table 1.

Sections 463.4(b) and 463.5(b) have both been reserved, or not included, in the Final Rule. Due to the structure of the dealership questionnaire, the estimated costs related to these sections of the Proposed Rule can be associated with specific upfront and recurring cost estimates in the original CAR Report. Therefore, CAR will remove the estimated costs derived from the dealership questionnaire responses related to these two reserved sections as noted in Table 1.

Another notable change made from the Proposed Rule is in Recordkeeping (463.6). Section 463.6(a)(2), requiring the keeping of “copies of all Materially different Add-on Lists and all documents describing such products or services that are offered to consumers.”<sup>2</sup> Additionally, a portion of 463.6(a)(4) was removed that pertained to records demonstrating “the Cash Price without Optional Add-ons disclosures and declinations,”<sup>3</sup> which no longer applies in the Final Rule as 463.5(b) was reserved. These changes may have an impact on the cost assessment of the Final Rule; however, the structure of the dealership questionnaire does not allow for the specific costs associated with these reserved Recordkeeping sections to be removed from the total estimated Recordkeeping cost assessment. Therefore, CAR assumed a uniform distribution of estimated cost across the requirements of 463.6(a)(1-5). With section 463.6(a)(2) reserved and a portion of 463.6(a)(4) removed, CAR estimates a 30% reduction in the assessed Recordkeeping costs.

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<sup>2</sup> <https://www.federalregister.gov/d/2022-14214/p-549>

<sup>3</sup> <https://www.federalregister.gov/d/2022-14214/p-551>

Section	Topic	Change in Final Rule	Citation	Relevant Survey Questions
463.4	Disclosure Requirements	463.4 (b) - [Reserved]	Disclosure of Add-on List and Associated Prices	39 - 41; 54 - 56
463.5	Dealer charges for Add-ons and other items	463.5 (b) - [Reserved]	Add-ons Transactions Forms and Disclosures	70 - 84; 89 - 103; 125 - 132
463.6	Recordkeeping	463.6 (a)(2) - [Reserved] 463.6(a)(4) - Reduced	All Materially Different Add-on Lists	105 - 108

Table 1. Affected sections of Final Rule and associated survey questions

There are other differences between the Final Rule and the Proposed Rule upon which the original assessment was based. After review, these changes are estimated to have no or minimal impact on the original assessment. This includes changes to the Definitions section (463.2), where section (b) and (c) were reserved. These sections correspond to definitions that apply to later sections that have been reserved in the Final Rule. Additionally, changes were made to the Definitions section to clarify terms such as “Covered Motor Vehicle” and “Covered Motor Vehicle Dealer.” These changes to section 463.2 involve definitional clarification but do not impact the assessment nor associate with questionnaire questions that need to be re-evaluated for the Final Rule. These changes impacted the wording of other sections of the Final Rule, such as the inclusion of “Covered” to the Prohibited Misrepresentations section (463.3):

*“It is a violation of this part and an unfair or deceptive act or practice in violation of section 5 of the Federal Trade Commission Act for any Covered Motor Vehicle Dealer to make any misrepresentation, expressly or by implication, regarding Material information about the following:”<sup>4</sup>*

Other sections of the Final Rule remain largely the same as the Proposed Rule. Therefore, questionnaire questions not associated with the Final Rule sections noted in Table 1 remain relevant in assessing the cost impact of the Final Rule.

## Reassessment – Analysis of Cost

Reserved and changed sections impact the assessed cost impact of New Consumer Disclosures, Add-On Prohibitions and Disclosures, Recordkeeping, and Vehicle Transactions. The following sections review changes to the cost assessment produced in the original CAR Report given the changes in the Final Rule.

<sup>4</sup> <https://www.federalregister.gov/d/2023-27997/p-1391>

## New Consumer Disclosures

Section 463.4 of the Proposed Rule included five disclosure requirements, including a vehicle's offering price, an add-on list, which add-on products and services are not required, the total of payments, and the effect of lower monthly payments on the total of payments. This section of the Final Rule was finalized largely as proposed. The notable exception was the FTC determined to not finalize the proposed add-on list provision, reserving section 463.4(b). The FTC instead determined that this proposed provision would "benefit from further review and refinement," and to "continue to monitor the motor vehicle marketplace for issues pertaining to add-ons and will consider implementing additional measures in the future if it determines such measures are warranted to address deceptive or unfair acts or practices related to add-on products or services."<sup>5</sup>

As proposed, section 463.4(b) would have required the dealer to disclose a list of all optional add-ons and for which the dealer charges consumers and the prices of such add-ons, both at each dealership and online. In the case that the price of the add-on varies by transaction, a range of prices the typical consumer will pay would be required. However, after reviewing stakeholder comments, including some commenters concerned about the vagueness and potential confusion over provisions in the rule and concern about the economic burden of maintaining and updating such a list, the FTC determined to not finalize this section of the Proposed Rule.

While the add-on list provision was reserved, other provisions of the new Disclosure Requirements (§463.4) remain largely as proposed. This change in the Final Rule impacts the cost assessment in the original CAR Report, reducing the estimated total upfront cost impact of the new Disclosure Requirements by \$4,600 and the estimated total recurring cost of the new Disclosure Requirements by \$1,850. The updated estimated costs per dealer to comply with the Disclosure Requirements in the Final Rule are \$15,025 upfront for updated training, IT system investment, and planning and preparation, and \$7,390 per year to support ongoing training, IT spending, and compliance review. A review of the reassessed estimated impact of disclosures can be seen in Table 2.

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<sup>5</sup> <https://www.federalregister.gov/d/2023-27997/p-739>

Summarized by Disclosure – per Dealer		Original	Recompute
Upfront Hours	Add-on Products Not Required	55	55
	Add-on List	55	0
	Effect of Lower Monthly Payments	52	52
	Offering price	55	55
	Total Cost	52	52
	<b>Total upfront hours</b>	<b>269</b>	<b>214</b>
Upfront Cost	Add-on Products Not Required	\$3,200	\$3,200
	Add-on List	\$4,600	\$0
	Effect of Lower Monthly Payments	\$3,500	\$3,500
	Offering price	\$4,325	\$4,325
	Total Cost	\$4,000	\$4,000
	<b>Total upfront costs</b>	<b>\$19,625</b>	<b>\$15,025</b>
Recurring Hours	Add-on Products Not Required	30	30
	Add-on List	30	0
	Effect of Lower Monthly Payments	30	30
	Offering price	30	30
	Total Cost	30	30
	<b>Total Recurring Hours (Annual)</b>	<b>150</b>	<b>120</b>
Recurring Cost	Add-on Products Not Required	\$1,950	\$1,950
	Add-on List	\$1,850	\$0
	Effect of Lower Monthly Payments	\$1,810	\$1,810
	Offering price	\$1,850	\$1,850
	Total Cost	\$1,780	\$1,780
	<b>Total Recurring Costs (Annual)</b>	<b>\$9,240</b>	<b>\$7,390</b>

Table 2. Reassessed Estimated Impact of Disclosures, by Disclosure

## Add-On Prohibitions and Disclosures

Section 463.5 of the Proposed Rule prohibited dealers from charging customers for add-ons that provide no benefit, undisclosed or unselected add-ons, and any items for which the consumer did not provide express, informed consent for the charge. The provisions regarding valueless add-ons and requiring express, informed consent from consumers were finalized largely as proposed. However, the FTC reserved the provision regarding undisclosed or unselected add-ons (§ 463.5(b)).

As proposed, this provision would have prohibited dealers from charging customers for optional add-ons without first disclosing the cash price of every vehicle sale offer without optional add-ons, separately itemizing the offering price, any discounts, rebates, or trade-in valuation, and required government charges. Dealers would be required to obtain written confirmation from the customer that they decline to purchase the vehicle at this price. Before charging for any optional add-on, dealers would have been required to disclose the cost of the transaction without any optional add-ons and the separately itemized charges for the selected optional add-ons chosen by the customer.

The FTC determined not to include this provision in the Final Rule but will continue to monitor the marketplace for issues regarding undisclosed or



unselected add-ons. The FTC noted concern from commentors of the extent to which this provision would add documents and time to transaction, further complicating an already time-consuming and complicated transaction. Additionally, the FTC noted that misrepresenting and charging for add-ons without express, informed consent is already prohibited by existing law as well as by other provisions within the Final Rule.

This change in the Final Rule impacts the original CAR Report cost assessment, reducing the estimated total upfront cost impact of Add-On Prohibitions and Disclosures by \$10,150 and the estimated total recurring cost of Add-On Prohibitions and Disclosures by \$7,330. The updated estimated costs per dealer to comply with the Add-On Prohibitions and Disclosures provisions in the Final Rule are \$5,075 upfront for updated training, IT system investment, and planning and preparation, and \$3,620 per year to support ongoing training, IT spending, and compliance review. A review of the reassessed estimated impact of disclosures can be seen in Table 3.

Summarized by Rule – per Dealer		Original	Recompute
Upfront Hours	Add-Ons Transactions Forms and Disclosures	30	0
	Express Informed Consent	30	30
	Itemization of Add-On Disclosure	30	0
	Prohibition of Valueless Add-Ons	30	30
	Vehicle Cash Disclosure: Financed Transactions	30	0
	Vehicle Cash Price Disclosure: Cash Transactions	30	0
	<b>Total Upfront Hours</b>	<b>180</b>	<b>60</b>
Upfront Cost	Add-Ons Transactions Forms and Disclosures	\$2,450	\$0
	Express Informed Consent	\$2,600	\$2,600
	Itemization of Add-On Disclosure	\$2,800	\$0
	Prohibition of Valueless Add-Ons	\$2,475	\$2,475
	Vehicle Cash Disclosure: Financed Transactions	\$2,450	\$0
	Vehicle Cash Price Disclosure: Cash Transactions	\$2,450	\$0
	<b>Total Upfront Cost</b>	<b>\$15,225</b>	<b>\$5,075</b>
Recurring Hours	Add-Ons Transactions Forms and Disclosures	27	0
	Express Informed Consent	28	28
	Itemization of Add-On Disclosure	28	0
	Prohibition of Valueless Add-Ons	25	25
	Vehicle Cash Disclosure: Financed Transactions	28	0
	Vehicle Cash Price Disclosure: Cash Transactions	28	0
	<b>Total Recurring Hours (Annual)</b>	<b>164</b>	<b>53</b>
Recurring Cost	Add-Ons Transactions Forms and Disclosures	\$1,810	\$0
	Express Informed Consent	\$1,810	\$1,810
	Itemization of Add-On Disclosure	\$1,810	\$0
	Prohibition of Valueless Add-Ons	\$1,810	\$1,810
	Vehicle Cash Disclosure: Financed Transactions	\$1,900	\$0
	Vehicle Cash Price Disclosure: Cash Transactions	\$1,810	\$0
	<b>Total Recurring Cost (Annual)</b>	<b>\$10,950</b>	<b>\$3,620</b>

Table 3. Reassessed Estimated Impact of Add-On Prohibitions and Disclosures

## Recordkeeping

Section 463.6 of the Proposed Rule pertains to recordkeeping. As proposed, this required dealers to create and retain all records of advertisements and customer transactions necessary to demonstrate compliance with the Proposed Rule for a period of twenty-four months from the date the record is created. The Final Rule adopts these provisions largely as described in the Proposed Rule with two substantial exceptions. Section 463.6(a)(2) requiring copies of all materially different add-on lists and all documents describing these offerings be created and retained was reserved by the FTC in the Final Rule. The provision within section 463.6(a)(4) requiring records demonstrating compliance with the cash price without optional add-ons disclosures and declinations required by section 463.5(b) of the Proposed Rule was also removed as the relevant section was reserved in the Final Rule, as discussed in the Add-On Prohibitions and Disclosures section of this addendum.

This change in the Final Rule impacts the original CAR Report cost assessment, reducing the estimated total upfront and recurring cost impact of dealer compliance with the Recordkeeping provisions. However, unlike the changes in New Consumer Disclosures and Add-On Prohibitions and Disclosures, the dealer survey questionnaire does not itemize the cost impact of Recordkeeping such that the relevant costs can be removed from the analysis. CAR assumes a uniform distribution of cost reported by dealer responses across the proposed Recordkeeping provisions. This implies that the reservation of the add-on list and removal of the cash price without optional add-ons disclosures and declinations provisions reduces the estimated cost impact of compliance with the Recordkeeping provisions set forth in the Final Rule by 30%. This reduces the estimated upfront cost by \$750 and the estimated total recurring cost of Recordkeeping by \$1,916. The updated estimated costs per dealership to comply with the Recordkeeping provisions in the Final Rule are \$1,750 upfront for IT system investment, and \$4,472 per year for ongoing IT spending and compliance review. A review of the reassessed estimated impact of disclosures can be seen in Table 4.

Summarized by Task - Per Dealer		Original	Recompute
Upfront Cost	IT System Investment Cost	\$2,500	\$1,750
	<b>Total Upfront Cost</b>	<b>\$2,500</b>	<b>\$1,750</b>
Recurring Cost	IT Spending Ongoing	\$3,188	\$2,232
	Compliance Review	\$3,200	\$2,240
	<b>Total Recurring Cost (Annual)</b>	<b>\$6,388</b>	<b>\$4,472</b>

Table 4. Reassessed Projected Impact of Recordkeeping Requirements

## Vehicle Transactions – Consumer Cost

The original CAR Report estimated implementation of the Proposed Rule would negatively impact the overall interactions with consumers, as well as many aspects of selling, financing, or leasing transactions. An estimated additional two hours would have been required to successfully complete the typical transaction. This includes one additional hour during the sales process and one additional hour to review additional Finance and Insurance (F&I) disclosures and supplemental documentation<sup>6</sup>. Changes made in the Final Rule reduce this estimate of additional time for the typical transaction. CAR reviewed the dealer survey responses and reserved provisions of the Final Rule and updated this estimate. In this reassessment analysis, CAR estimates that the changes noted in the Final Rule will reduce the original estimate of an additional two hours by 33% to 50%. This reduces the estimated additional time necessary to successfully complete a typical transaction to one hour and 20 minutes (33% reduction), or a further reduction to one hour (50% reduction), split across the sales process and additional F&I disclosures and supplemental documentation.

In recomputing the estimated consumer cost of implementing the Final Rule, the assumptions stated in the original CAR Report were maintained. CAR used the rubric by which the FTC calculated the dollar value of the Proposed Rule's impact, which included the value of the of the average consumer's non-work time and the number of vehicle transactions per year<sup>7</sup>. CAR estimates the median additional cost to consumers is reduced from \$44.40 per vehicle transaction to \$29.60 (33% reduction in estimated added time: additional one hour and 20 minutes) through \$22.20 (50% reduction in estimated added time: additional one hour) per vehicle transaction. Multiplied by the 62,107,000 annual vehicle sales figure used by the FTC to develop its cost estimate of the Proposed Rule, CAR estimates a consumer cost of \$1,838,367,200 per year to \$1,378,775,400 per year for the estimated additional one hour and 20 minutes and the additional one hour per typical transaction time, respectively.

## Analysis of Costs

Given the changes in the Final Rule, as compared to the Proposed Rule discussed in earlier sections of this addendum, CAR recalculated the estimated cost assessment of dealer compliance with the Final Rule. The updated upfront

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<sup>6</sup> See CAR Report for footnote regarding estimated add transaction time.

<sup>7</sup> See CAR Report for footnotes regarding relying on FTC estimates.

and recurring estimated costs per dealer can be seen in Table 5. Upfront costs include the estimated incremental one-time costs for updated training, IT system investment, and planning and preparation. Recurring costs include the estimated annual costs including ongoing training, IT spending, and compliance review. These are discussed in Figure 6 of the original CAR Report. The recomputed cost impact factors in the changes in the Final Rule noted in Table 5.

Upfront Cost Summarized by Task	Original	Recompute
Prohibited Misrepresentations	\$9,600	\$9,600
Disclosures	\$19,625	\$15,025
Add-ons Prohibitions & Disclosures	\$15,225	\$5,075
Recordkeeping	\$2,500	\$1,750
<b>Total Upfront Costs</b>	<b>\$46,950</b>	<b>\$31,450</b>
Recurring Cost Summarized by Task	Original	Recompute
Prohibited Misrepresentations	\$24,380	\$24,380
Disclosures	\$9,240	\$7,390
Add-ons Prohibitions & Disclosures	\$10,950	\$3,620
Recordkeeping	\$6,388	\$4,472
<b>Total Recurring Costs</b>	<b>\$50,958</b>	<b>\$39,862</b>

Table 5. Reassessed Upfront and Recurring Costs, Summarized by Task

## Net Present Value

In the preceding analysis, CAR recalculated the estimated per dealer upfront and recurring costs of the Final Rule, given the changes from the Proposed Rule, on which the original CAR Report was based. To maintain comparability with the original report, these estimates must be multiplied by the estimated 46,525 dealers overall (Federal Trade Commission, 2022) as well as extrapolated over a 10-year assessment period and discounted to the present value. These recalculated findings are summarized in Table 6.

Recompute Costs per Dealer	Year 1	Years 1 – 10
Upfront per Dealer	\$31,450	\$31,450
Recurring per Dealer	\$39,862	\$398,620
Total per Dealer	\$71,312	\$430,066
Number of dealers	46,525	
Recompute Present value		
Total Cost	3% discount rate	\$17,240,374,438
	7% discount rate	\$14,393,147,134

Table 6. Reassessed Present Value of Total Compliance Costs for Dealers, Year 1 - Year 10

In addition to recalculating the dealer compliance costs induced by the Final Rule, CAR reassessed the results of the dealer survey to recalculate how the changes in the Final Rule would affect the estimated benefits or costs the Proposed Rule would have delivered to consumers in the form of decreased, or increased, transaction times. The original CAR Report estimated that provisions in the Proposed Rule would add two hours to the typical successful completed

vehicle transaction. Changes in the Final Rule, notably the reservation of section 463.5(b) – the provision pertaining to add-ons transaction forms and disclosures – is expected to have an impact on the estimated additional time per typical transaction. CAR reviewed the dealership survey results and projected new duties to be performed to comply with the Proposed Rule and determined changes in the Final Rule would reduce this estimated two hours of additional consumer time per typical successful vehicle transaction. CAR estimates that changes in the Final Rule would reduce this added time burden by 33% to 50%. To provide the most conservative estimate of cost, the proceeding analysis assumes a 50% reduction in added time per typical transaction<sup>8</sup>. This results in an estimated one hour of additional consumer time per typical successful vehicle transaction<sup>9</sup>. A summary of the recalculated consumer costs is seen in Table 7.

Consumer Costs (Median) - Recompute			Original
Consumers – Added Time	~ 1 hour per successful transaction		~ 2 hours per successful transaction
Hourly \$-Rate @ ~\$22.20 <sup>10</sup>	\$22.20		\$44.40
Annual Vehicle Sales <sup>11</sup>	62,107,000		62,107,000
	Year 1	Years 1 – 10	Years 1 – 10
Total Value of Consumers Time	\$1,378,775,400	\$13,787,754,000	\$27,575,508,000
	Present Value		Present Value
Total Cost	3% Discount Rate	\$11,761,233,828	\$23,522,467,657
	7% Discount Rate	\$9,683,941,449	\$19,367,882,897

Table 7. Reassessed Present Value for Consumers (value of incremental time spent per transaction), Year 1 - Year 10

For comparative purposes, CAR also summarized the updated estimated costs with the implementation of the Final Rule as the net present value over a 10-year time frame in Table 8, to be consistent with FTC rule review policy and with FTC preliminary regulatory analysis of the Proposed Rule, and the original CAR Report assessment.

<sup>8</sup>The estimated present value with the 33% reduction in added consumer time per transaction, or an additional one hour and 20 minutes, is:

Consumer Costs (Median) - Recompute		
Consumers – Added Time	~ 1 hour 20 minutes per successful transaction	
Hourly \$-Rate @ ~\$22.20 <sup>8</sup>	\$29.60	
Annual Vehicle Sales <sup>8</sup>	62,107,000	
	Year 1	Years 1 – 10
Total Value of Consumers Time	\$1,838,367,200	\$18,383,672,000
	Present Value	
Total Cost	3% Discount Rate	\$15,681,645,104
	7% Discount Rate	\$12,911,921,931

<sup>9</sup> The estimated consumer costs only consider time added to the sales process and review additional F&I disclosures and supplemental documentation. Additional pre-sale dealer communications are not included, as discussed in the CAR Report.

<sup>10</sup> The estimated value of a consumer's nonwork time of approximately \$22.20 per hour is the figure relied upon by the FTC from the Bureau of Labor Statistics.

<sup>11</sup> See CAR Report footnote regarding the number of vehicle transactions.

	Present Value – Original	Present Value - Recompute	Difference, \$	Difference, %
<b>Total Dealers</b>		<b>Total Dealers</b>		
3% discount rate	\$22,344,310,535	\$17,240,374,438	-\$5,103,936,097	-22.8%
7% discount rate	\$18,693,101,691	\$14,393,147,134	-\$4,299,954,557	-23.0%
<b>Total Consumers</b>		<b>Total Consumers</b>		
3% discount rate	\$23,522,467,657	\$11,761,233,828	-\$11,761,233,828	-50.0%
7% discount rate	\$19,367,882,897	\$9,683,941,449	-\$9,683,941,449	-50.0%
<b>Total Costs, Net</b>		<b>Total Costs, Net</b>		
3% discount rate	\$45,866,778,192	\$29,001,608,266	-\$16,865,169,925	-36.8%
7% discount rate	\$38,060,984,588	\$24,077,088,583	-\$13,983,896,005	-36.7%

Table 8. Reassessed Present Value of Net Costs, Year 1 – Year 10

This contrasts with the updated FTC estimate that the Final Rule will generate a net benefit of \$12.3 billion over 10 years (base case)<sup>12</sup>, reduced from an original estimated net benefit of \$29.7 billion in the FTC review of the Proposed Rule<sup>13</sup>. CAR’s recompute of the original CAR Report assessment estimates the Final Rule will generate a net cost of \$24.1 billion in over 10 years<sup>14</sup>, reduced from the original CAR Report estimated net cost of \$38.1 billion.

<sup>12</sup> <https://www.federalregister.gov/d/2023-27997/p-1332>

<sup>13</sup> <https://www.federalregister.gov/d/2022-14214/p-451>

<sup>14</sup> There was a minor discrepancy in the calculation methodology of Net Present Value in the Original CAR Report and in the FTC analysis. The original CAR Report discounted the costs, both upfront and recurring, of the first year while the FTC analysis did not. The reassessment in this addendum utilizes the same Net Present Value calculation methodology used in the original CAR Report to maintain consistency and comparability. The table below summarizes the Net Present Value calculations using each methodology, for reference:

	Present Value – Original	Present Value – Recompute (year 1 discounted)	Present Value – Recompute (year 1 not discounted)
<b>Total Dealers</b>			
3% discount rate	\$22,344,310,535	\$17,240,374,438	\$17,757,585,671
7% discount rate	\$18,693,101,691	\$14,393,147,134	\$15,400,667,434
<b>Total Consumers</b>			
3% discount rate	\$23,522,467,657	\$11,761,233,828	\$12,114,070,843
7% discount rate	\$19,367,882,897	\$9,683,941,449	\$10,361,817,350
<b>Total Costs, Net</b>			
3% discount rate	\$45,866,778,192	\$29,001,608,266	\$29,871,656,514
7% discount rate	\$38,060,984,588	\$24,077,088,583	\$25,762,484,784

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