

October 20, 2021

The Honorable Ron Wyden  
Chairman  
Committee on Finance  
United States Senate  
221 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Wyden,

On behalf of the National Marine Manufacturers Association (NMMA), I write to thank you for including a 30 percent investment tax credit (ITC) for electric marine applications in the Clean Energy for America Act reported out of your committee earlier this year, and encourage your continued leadership in ensuring this provision be included in the Finance Committee's portion of the reconciliation bill.

The recreational boating industry has a significant impact on our nation's economy, supporting nearly 700,000 American jobs across 35,000 U.S.-based marine businesses. Led by the recreational boating industry, the outdoor recreation economy is a major contributor to the U.S. economy, accounting for 2.1 percent of GDP, \$788 billion in economic output, and 5.2 million American jobs. The role of recreational boating in our economy has only grown more significant as Americans flocked to new outdoor activities amidst the COVID-19 pandemic, with sales of new powerboats in the U.S. increasing last year by 13 percent compared to 2019, reaching a 13-year high. This increase represents 415,000 first-time boat buyers from a younger and more diverse consumer base – an encouraging aspect of industry growth.

Over the past 20 years, the boating industry has made significant progress toward reducing our emissions and carbon footprint by implementing sustainable manufacturing processes and creating cleaner technologies and products. However, the establishment of an incentivization structure to spur a market driven transition to renewable energy-based marine products and bring renewable marine propulsion products to scale presents an opportunity to expedite adoption of renewable powered marine products and build upon the industry's success in reducing its environmental footprint.

Given that the vast majority—93 percent—of recreational boat manufacturers are small businesses, and 95 percent of the boats that are sold in the U.S. are made in the U.S., establishing a tax incentive for electric marine applications will propel small businesses and domestic manufacturing across the marine industry toward becoming global leaders in renewable powered recreation. Furthermore, we expect consumer demand from the younger, more diverse next generation of boaters, paired with a tax incentive for recreational boats, will result in a more immediate and expansive transition to electrification across the marine industry.

We understand there are efforts to limit the scope of the 30 percent ITC to medium and heavy-duty trucks in the reconciliation bill and urge your steadfast support for ensuring the language reported out of your committee includes electric marine applications as a qualified electric transportation option. Failing to secure this integral incentivization for the boating community would represent a significant

missed opportunity to set the U.S. marine industry on course to advance next-gen technologies, further reduce emissions, and conserve energy.

NMMA thanks you for your commitment to providing the 30 percent ITC for the boating community and stands ready to assist you in securing this significant investment in sustainable domestic manufacturing and development of cleaner technologies and products across the U.S. marine industry.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank K. Hugelmeyer", with a long horizontal flourish extending to the right.

Frank Hugelmeyer  
President  
National Marine Manufacturers Association