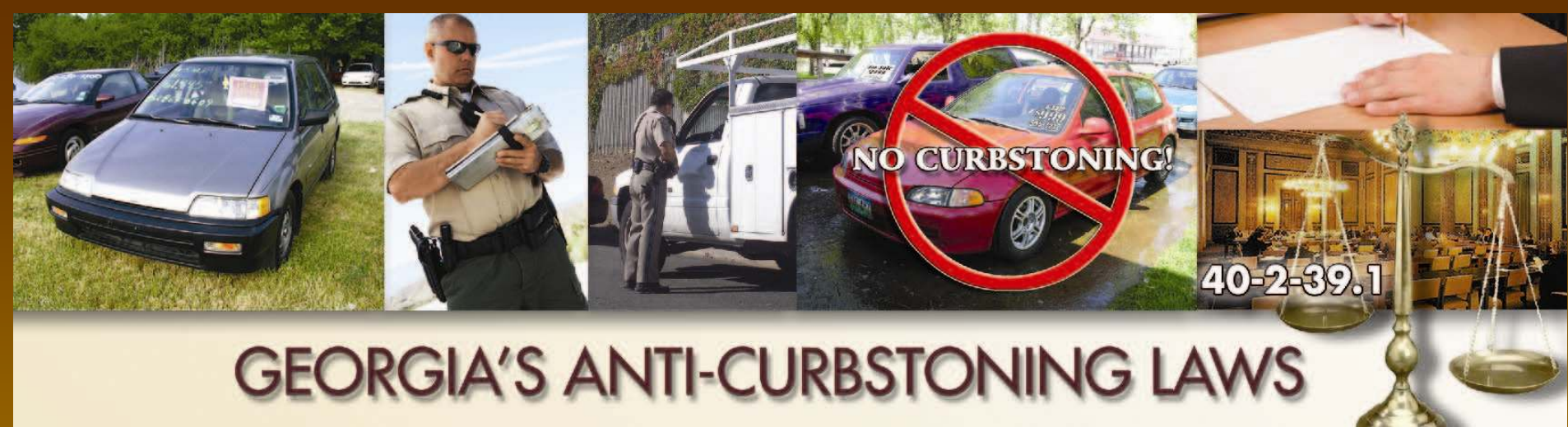




GEORGIA'S ANTI-CURBSTONING LAWS

Important Consumer Protection Laws

Became effective July, 2007



GEORGIA'S ANTI-CURBSTONING LAWS

Your participation is
required to deal with
the Problem.
We need your help!

Our Goal Today is...

- Inform & educate you ABOUT CURBSTONING!
- Explain new Ga. statute 40-2-39.1
- Encourage you to help minimize the problem in the communities you protect

What is Curbstoning?

Curbstoning involves a person or persons who are regularly engaged in the business of buying and selling used automobiles but without a license or proper permits or legally established place of business.



Examples



The DNA of a Curbstoner

- Many times curbstoners are scam artists
- Individuals who ignore the laws meant to protect consumers from unlicensed, unscrupulous sellers of vehicles
- Won't think twice about selling vehicles that even a dealer wouldn't touch
- Often will lie about history of a vehicle
- Often will lie about mechanical condition
- Doesn't want a paper trail
- Think that they are doing nothing wrong or think they won't get caught

Curbstoning Environments

- Gas stations
- Auto repair businesses
- Peoples private property – yards
- Vacant property
- Shopping centers
- Busy corners public property
- Grocery stores
- Department stores
- Banks (closed)
- Flea Markets
- Subdivisions
- Restaurants



The unfortunate fact 1.

Consumers think that they will get a better price if they buy from an individual, and many think they can't afford a vehicle from a reputable, reliable dealer

The unfortunate fact 2.

Consumers feel less intimidated approaching an individual seller they perceive to be a good neighbor versus a professional salesman

The unfortunate fact 3.

Many vehicles advertised in classified ads are those of curbstoners



The unfortunate fact 4.

Victims of curbstoners often end up making expensive repairs because a rolled back odometer led them to believe the vehicle was in better shape

The unfortunate fact 5.

Victims of curbstoners many times find themselves in dangerous vehicles that have been previously totaled or have suffered major structural damage resulting from a severe accident

And to recap...

People buying vehicles from curbstoners (or individuals) have ZERO RECOURSE if something goes wrong such as...

- Odometer roll back
- Unsafe vehicle – not road worthy
- Serious mechanical problems
- Airbag doesn't work
- Stolen
- Title problems
- Previous flood or salvage history
- Emissions wont pass
- Liens, or past due Ad Valorem tax



Reasons for consumers to buy from licensed car dealer

- ✓ Laws in place to protect consumers
- ✓ \$35,000 customer surety bond
- ✓ Guaranteed title transfer within 30 days
- ✓ Federal odometer law compliance
- ✓ Used Car Board for consumer complaints
- ✓ Dealer public reputation at stake

The other side...Buyers

- Drug dealers, money launderers and unlicensed individuals prefer to buy cars from individuals. Why?
- Because they know that auto dealers are required to verify identity, report cash transactions to the IRS and check the Homeland Security list of suspected terrorists.

The Old Rules - 43-47-8.1



- 43-47-8.1. USED MOTOR VEHICLE DEALERS' (AND PARTS DEALERS') REGISTRATION ACT O.C.G.A.
- The problem...? NO TEETH!
- ...Jurisdiction and enforcement was the responsibility of the Used Car Board
- Simply did not have the proper resources

The New Rules – 40-2-39.1

- As a result of H.B. 144
- Puts the heat on property owners (or lessee)
- No more than 2 on display at same time
- No more than 5 in a 12 month period
- Some exclusions such as...
 - Employee
 - Shopping
 - Parking
- And the best part... **The teeth!!**



Not only teeth, but VERY SHARP TEETH!

THE NEW GEORGIA CODE

O.C.G.A. § 40-2-39.1 ~ (Penalties)

Allows any law enforcement officer to issue citations to property owners
AND/OR lessees and to vehicle owner!

Allows law enforcement officers to tow after 24 hours

“Any person who violates this Code section shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine not to exceed \$1,000.00 for each violation or imprisonment for a period not to exceed 12 months, or both.”



What do the Police care about?

- Quality of Life
- Public Safety
- Curbstoning threatens every aspect of these two ideals.
- Think about it!



Together, we can make a difference!



Thank you!

