

NEW YORK STATE SENATOR Jeffrey D. Klein

## Moya/klein Bill That Combats Illegal Car Dealing Passes Assembly and Senate

JEFFREY D. KLEIN June 19, 2015

ISSUE: CONSUMER PROTECTION, COMMUNITY DEVELOPMENT, NEW YORK CITY, LEGISLATURE

**Albany, NY**— The New York State Assembly and Senate passed legislation, sponsored by Assemblyman Francisco Moya (D-Jackson Heights) and Senator Jeff Klein (D-Bronx/Westchester), on Thursday to crack down on unregistered car dealers who use city streets as their own personal showrooms.

"Curbstoners" are unlicensed car dealers who repeatedly sell used cars for profit. The practice has unexpected negative consequences. First, since illegal car dealers tend to park and advertise their wares on public streets, they monopolize spots that could be used by drivers, thus causing more traffic congestion, which may potentially contribute to additional accidents and air pollution. Additionally, because "curbstoners" operate outside the law, they are unregulated and untaxed. Not only does the state lose out on revenue from sales, but "curbstoners" have also sold unsafe vehicles with impunity. Victims of "curbstoning" scams have been sold stolen, totaled, or flood-damaged cars that were presented as undamaged.

"Curbstoning' not only causes increased traffic congestion, it also puts unsafe vehicles on the road," **said Assemblyman Moya**, the sponsor of the Assembly bill. "Because 'curbstoners' operate in an underground marketplace, 'curbstoning' victims have no recourse if they're sold a lemon. After purchasing a car from a 'curbstoner,' many are left with broken or stolen vehicles, an empty wallet, and no way to track down the seller. It's a raw deal. The Curbstoning Bill will make sure that illegal car dealers don't feel as though they have free reign to use our public roads as their own personal showrooms."

"Unlicensed dealers using city streets as showroom squats harm consumers, the city and the state. These 'curbstoners' engage in deceptive practices, sell lemons with undisclosed damage or worse, stolen vehicles. Today, the State Senate sent a strong message that serial offenders will pay a price for this shady practice," **said Senator Klein**, the sponsor of the Senate bill.

The bill would crack down on the practice of "curbstoning" by increasing the penalties for unlicensed car dealing and making it illegal for unlicensed car dealers to sell from the curb.

Fines for unregistered dealing are currently \$1,000, regardless of the number of offenses an unlicensed car dealer commits. Moya and Klein's legislation increases penalties for serial violators to \$4,010 for a third infraction within a 30 month period.

The bill has been sent to Governor Andrew M. Cuomo for signing.