

House Bill 94 (COMMITTEE SUBSTITUTE)

By: Representatives Oliver of the 56th, Post 2, and Thompson of the 69th, Post 1

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia
2 Annotated, known as the "Fair Business Practices Act of 1975," so as to place conditions and
3 limitations on spot deliveries; to define the term "spot delivery"; to provide for remedies
4 under certain conditions; to provide for related matters; to repeal conflicting laws; and for
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated,
9 known as the "Fair Business Practices Act of 1975," is amended by adding following Code
10 Section 10-1-393.7, relating to solicitation during final illness and penalty, a new Code
11 Section 10-1-393.8 to read as follows:

12 "10-1-393.8.

13 (a) For purposes of this Code section, the term 'spot delivery' means the placement of a
14 motor vehicle with the purchaser or lessee while the final sale or lease is pending or subject
15 to rescission because the credit transaction has not been approved or assigned to a financial
16 institution.

17 (b) If a purchaser or lessee takes possession of a motor vehicle that is the subject of a spot
18 delivery, such delivery shall be subject to the following written conditions:

19 (1) That if the sale or lease is not concluded by the financing of the sale or lease to the
20 purchaser or lessee within 30 days of the delivery, the sale or lease contract shall be null
21 and void;

22 (2) That any motor vehicle being offered for trade-in by the purchaser or lessee shall not
23 be sold by the motor vehicle dealer until the conditional sale or lease is complete and that
24 any payment due or that becomes due while the trade-in vehicle is in the hands of the
25 dealership shall be the sole responsibility of the prospective purchaser or lessee;

1 (3) That any motor vehicle being offered for trade-in by the purchaser or lessee shall not
2 be repaired or serviced by the motor vehicle dealer until the conditional sale or lease is
3 complete;

4 (4) That the prospective purchaser or lessee may be required to obtain insurance,
5 including liability insurance, for any damages to the vehicle occurring during the
6 prospective purchaser's or lessee's custody of the vehicle;

7 (5) That the charge to the purchaser or lessee, should the sale or lease not be completed,
8 shall be limited to a maximum charge of \$5.00 per day including, but not limited to,
9 mileage charges and that the purchaser or lessee may be charged for unreasonable wear
10 and tear of the vehicle while it is in the prospective purchaser's or lessee's custody;

11 (6) That if the conditional sale is not completed, the motor vehicle dealer shall refund to
12 the purchaser or lessee all sums placed with the dealership as a deposit or for any other
13 purpose associated with the attempted sale or lease of the vehicle less any amounts
14 charged pursuant to paragraph (5) of this subsection and return the trade-in vehicle, if
15 any; and

16 (7) That the prospective purchaser or lessee shall return the vehicle to the dealership
17 within 48 hours of receipt of notification from the dealer that the conditional sale or lease
18 will not be completed.

19 (c) For violations of this Code section, subsection (c) of Code Section 10-1-399 shall not
20 apply."

21 **SECTION 2.**

22 All laws and parts of laws in conflict with this Act are repealed.