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City Council Document Tracking Sheet

Meeting Date: 6/6/2012
Sponsor(s): Burke, Edward M. (14)
Type: Resolution
Title: Call for hearing(s) to expand enforcement against
curbstoning within 14th Ward
Committee(s) Assignment: Committee on Finance

RESOLUTION

WHEREAS, the corporate authorities of the City of Chicago are committed to protecting Chicago residents from fraud, deception, and unfair business practices; and

WHEREAS, “curbstoning” is the term commonly used to define the practice of engaging in the business of offering motor vehicles for sale to the general public without a license; and

WHEREAS, curbstoners compete with legitimately licensed dealers for retail customers; and

WHEREAS, many curbstoners seek out inexpensive vehicles that can be acquired without financing and tend to have high mileage and mechanical problems; and

WHEREAS, in addition to evading City and State licensing laws, curbstoners often engage in practices that violate consumer protection, titling, and sales tax laws; and

WHEREAS, curbstoning is bad for consumers, licensed dealers and the motor vehicle industry as a whole; and

WHEREAS, curbstoners typically display their vehicles for sale on the public way or on private property which is not licensed for the sale of motor vehicles; and

WHEREAS, the Municipal Code of Chicago currently prohibits curbstoning; and

WHEREAS, vehicles parked on the public way for the sole purpose of being displayed for sale are subject to impoundment pursuant to Section 9-80-080 of the Code; and

WHEREAS, under Section 9-92-030(c) of the Code, employees of the Department of Streets and Sanitation are authorized to issue notices of parking violations and impound vehicles parked on the public way for the sole purpose of being displayed for sale; and

WHEREAS, property owners permitting individuals to offer or display motor vehicles for sale on their property are required to obtain a Limited Business License for that purpose pursuant to Section 4-4-020 of the Code; and

WHEREAS, the Department of Business Affairs & Consumer Protection recently conducted a two-day special investigation into the unauthorized sale of motor vehicles in the 14th Ward; and

WHEREAS, the two-day investigation resulted in 32 separate individuals and entities being issued 93 citations for the unauthorized sale of motor vehicles; and

WHEREAS, hearings on the citations were held at the Department of Administrative hearings and judgments totaling \$70,010.00 were entered against the respondents; and

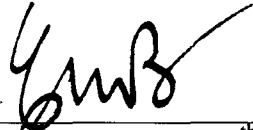
WHEREAS, despite the success of the two-day special investigation, an abundance of individuals and businesses continue to curbstone citywide; and

WHEREAS, if the success of the Department of Business Affairs & Consumer Protection's two-day investigation is of any indication, the aggressive prosecution of curbstoners has the potential to generate a considerable source of revenue for the City while protecting residents from unregulated motor vehicle sellers and supporting the legitimate businesses that are in compliance with the law; now therefore

BE IT RESOLVED, that the Chicago City Council does hereby commend the Department of Business Affairs & Consumer Protection for its successful prosecution of curbstoners in the 14th Ward; and

BE IT FURTHER RESOLVED, that the Corporate Authorities of the City of Chicago do hereby urge the Department of Business Affairs & Consumer Protection and the Department of Streets and Sanitation to expand the enforcement of all applicable sections of the Municipal Code of Chicago against curbstoners; and

BE IT FURTHER RESOLVED, that the Commissioner of the Department of Business Affairs & Consumer Protection and the Commissioner of the Department of Streets and Sanitation are hereby invited to appear before the Committee on Finance to testify at a hearing concerning curbstoning.



Edward M. Burke, Alderman, 14th Ward