

Georgia AG Warns Against Deceptive Advertising Related to COVID-19 Stimulus Payments

April 30, 2020 | [Patricia E.M. Covington](#)

The COVID-19 situation has turned everything on its head. Most retail commerce is shut down, many are working from home, and it has become commonplace to plausibly forget whether today is a Monday or a Friday. Despite all the change we have seen over the past several weeks in our daily lives, we can still count on one constant: state regulators will always be looking for those who seek to take advantage of the situation. On April 24, the Georgia Attorney General's Office released email guidance, outlining COVID-19 marketing and advertising practices by auto dealerships that it considers "problematic."

The guidance notes that some marketing looks to capitalize on the COVID-19 situation by creating advertisements that exploit consumers' anticipated receipt of government relief and misrepresent dealers' affiliations with government entities. The guidance provides the following examples it has seen first-hand:

- Advertisements that suggest the consumer is receiving a "stimulus check" or "stimulus relief" from an auto dealership; and
- Advertisements that designate a dealership as "relief headquarters," suggesting that consumers will receive pandemic-related relief and that the only place the consumer is authorized to spend those funds is at a particular dealership.

The guidance also notes the possibility of other types of representations that could potentially be construed as deceptive or misleading. For example, representations that imply the dealer is offering a unique "COVID-19 Stimulus Program," or representations presented next to symbols, emblems, or codes that suggest the offer originated from the government or some other non-dealer entity.

The AG finds such advertisements and representations to be problematic because (1) the government is in the process of providing COVID-19-related monetary relief, and (2) dealers have not been selected or authorized by the government to provide assistance or aid in disseminating such funds. The AG's Office makes clear that to state or represent otherwise would be a violation of the Georgia Fair Business Practices Act.

The AG's Office provides some practical tips for dealerships during this time:

- Exercise extreme caution when evaluating any representations that reference the

COVID-19 situation and its economic impact;

- Provide sufficient oversight for third-party marketing agencies, as dealerships are ultimately responsible for representations on their behalf;
- All parties marketing in Georgia-including out-of-state marketers-should carefully review advertisements prior to publications.

The AG's Office, while unable to approve an advertisement, is still available to review advertisements for compliance with the Fair Business Practices Act before publication. Dealerships are also encouraged to review the AG's [Auto Advertising & Sales Practices Enforcement Policies](#).

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