Nathan Deal Ethics Allegations - Political Smoke Screen 8.18.10

- Nathan owns a partnership in a salvage business called Gainesville Salvage Disposal;
- For many years, the salvage business partnered with the state – as many other salvage businesses did – and allowed state inspectors to use their property to check re-titled cars that had been deemed “totaled” by insurance companies and then rebuilt for resale and road use;
- There was NO MONOPOLY and NO CONTRACT with the state. The state inspectors could have stopped using the Gainesville salvage business property at any time;
- State inspectors came to GSD two days a month. Inspectors went around the state regionally;
- The state inspectors not only re-titled vehicles, but they also conducted safety inspections to assure the rebuilt cars were road worthy;
- The state inspectors were able to use the property and were provided office space free of charge to the state;
- GSD received a fee from the owner/applicant of each car inspected at the property. In this way, GSD did receive revenue and profit from the arrangement – as did every other salvage business that partnered with the state;
- Under Gov. Perdue, some state departments were consolidated. The inspection program was put under the supervision of the Revenue Department, headed by Commissioner Bart Graham;
- The inspection program became an afterthought for the Revenue Department and the commissioner indicated the program might end;
- Inspectors – employees of Commissioner Graham – and the salvage industry and auto dealers continually contacted Graham to ask about plans for the inspection program but no one could get answers;
- A salvage business owner in Douglasville, in fact, posted the commissioner’s office number on the Internet and encouraged people to call after his repeated attempts to get answers were denied;
- Inspectors and other business owners asked Nathan to speak to the commissioner to see if he could get answers;
- Nathan agreed and his congressional chief of staff to set up the meeting. As the meeting was merely to ask questions about a state program and because he was not going to “protect” a “monopoly” or “contract,” he didn’t consider sending the request for the meeting on his congressional email account to be a “conflict” or an attempt to intimidate;
At the meeting, Commissioner Graham said he was considering privatizing the program – allowing private companies to re-title totaled cars without a state inspection. Nathan said he had concerns about the safety of the cars put back on the road if businesses were given a profit motive to simply re-title as many cars as possible;

The commissioner said “Safety is not my concern.” The commissioner also asserted in a congressional interview that the program had never taken safety into account;

In an affidavit given to Congress, the state’s top official in the inspection program said that his boss, the commissioner, was wrong and that safety had always been a major concern and priority of inspectors. He was so upset with the direction Graham was taking the program that he retired earlier than planned;

The arguments presented by Nathan, state inspectors and other salvage business owners fell on deaf ears. Graham removed all money for the program from the state budget. Once that decision was finalized, Nathan stopped all efforts to see the program continued;

At the end of the day, it’s difficult to argue that Nathan was “big footing” state officials as a congressman because Nathan and his business partner could have made MORE MONEY under the privatized plan because they could have re-titled cars every day, instead of only getting a fee for use of their property two days a month;

Instead, Nathan and his business partner completely cut ties with the program because they did not want to be responsible for putting rebuilt cars on the road without a proper government inspection for safety and uniform standards;

Today, we estimate that 18,000 rebuilt cars are put back on Georgia roads each year without inspections because of Commissioner Graham’s actions;

After more than 30 years of service as an elected official, Nathan has never been accused of any ethical misconduct. In fact, he wrote the Georgia Legislature’s first ethics law. Then, soon after he announces his race for governor, email requesting these meetings mysteriously show up in the Atlanta Journal-Constitution and are misrepresented to suggest he was a defending a self-enriching, cash-cow state monopoly.