

By Memorandum Opinion of September 23, 1957 you were advised that the word "commercial" within the statute must be construed in its broad sense so as to include general business activity. In this connection it should be observed that the phrase "such as the transportation of goods, wares and merchandise" in the statutory definition is clearly intended as descriptive, and not in limitation, of the words "commercial purposes."

Since the stated circumstances unquestionably embrace a general business activity and thus a purpose which must be considered as "commercial" within the meaning of the cited statute, an affirmative response is indicated to your inquiry. You are, therefore, advised that passenger cars which engage in the foregoing activity are required to register as commercial vehicles.

Very truly yours,

DAVID D. FURMAN
Acting Attorney General

By: REMO M. CROCE
Legal Assistant

MAY 15, 1958

HONORABLE FREDERICK J. GSSERT, JR.
Director, Division of Motor Vehicles
State House
Trenton, New Jersey

MEMORANDUM OPINION—P-18

DEAR DIRECTOR GSSERT:

You have requested our opinion as to whether or not you are required to suspend the license and registration certificate of an uninsured motorist, subject to the provisions of the Security Responsibility Law, against whom a judgment has been rendered, where such judgment is not discharged of record although it has been paid and satisfied by a surety under bond posted with you. You state that the judgment has been assigned by the plaintiff to the surety after payment made, and a transcript of said judgment, so kept open of record, has been forwarded to you by the court wherein it was rendered pursuant to R.S. 39:6-35.

The Motor Vehicle Security Responsibility Law, R.S. 39:6-23, et seq., is directed toward the protection of the public so as to assure reparation for those who suffer damages resulting from the negligent operation of motor vehicles. *Suffore v. Atlantic Casualty Ins. Co.*, 21 N.J. 300 (1956); *Atlantic Casualty Ins. Co. v. Bingham*, 15 N.J. Super. 328 (Ch. Div. 1951), aff'd *per curiam*, 18 N.J. Super. 170 (App. Div. 1952), aff'd 10 N.J. 460 (1952); cf. *Woloshin v. The Century Indemnity Co.*, 116 N.J.L. 577 (Sup. Ct. 1936).

In certain cases involving damages in excess of \$100.00, you are required to determine the amount of security necessary to satisfy a judgment anticipated for such damages. R.S. 39:6-25(a). You are then required to suspend the operator's license and registrations of the owner of the motor vehicle unless such security is deposited with you. R.S. 39:6-25. These provisions do not apply, however, to

persons who are (a) covered by an appropriate liability insurance policy or bond, or (b) self-insurers and their agents; nor do these provisions apply under certain other circumstances (R.S. 39:6-26).

A person not within the specific exclusions referred to above, must post security or suffer suspension of his license unless:

- a. He has been released from liability;
- b. He has been finally adjudicated not liable;
- c. He has agreed in writing to pay all damages resulting from the accident.

The security so deposited with the Director shall be retained by him and "shall be applicable *only* to the payment of a judgment or judgments rendered against the person or persons on whose behalf the deposit was made, *for damages arising out of the accident in question * * **" R.S. 39:6-30. (Emphasis supplied)

The above provisions illustrate the plan of the statute is to furnish some measure of security or indemnity for members of the public who suffer injury or damage through the fault of uninsured motorists. When this end is satisfied, by insurance coverage before an accident, by security posted thereafter, by evidence of satisfaction through a release or an agreement for installment payment, or, ultimately, by satisfaction of a judgment, the suspension of license privilege does not apply.

In the case at hand the defendant motorist posted security in the form of a bond, with a bonding company as surety. A judgment was rendered against defendant, and it was satisfied by the surety. The judgment was not discharged, however, and the clerk of the court thereafter forwarded to you a certified copy of said judgment as open of record.

R.S. 39:6-35 provides, *inter alia* that:

"If a person fails to pay and satisfy every judgment against him for damages * * * in excess of \$100.00, resulting from the ownership * * * or operation of a motor vehicle * * * the operator's license and all registration certificates * * * shall * * * be forthwith suspended by the director."

There is a distinction between the satisfaction of a judgment and its discharge, which is recognized by the very provisions of R.S. 39:6-35. This section further provides that the license suspensions shall continue "until every such judgment is satisfied *or* discharged * * *." (Emphasis supplied)

R.S. 39:6-38 defines "satisfaction of judgment" for the purposes of the act. In some cases a judgment is deemed satisfied though it is not paid in full, and, is therefore not discharged. This section provides that payment of \$5,000 on a judgment exceeding \$5,000 for bodily injury to one person in any one accident constitutes "satisfaction of judgment" for the purposes of the act so as to prevent suspension of the motorist's license. Payment of \$10,000 toward a judgment in excess of that amount resulting from an accident involving injuries to more than one person is also deemed "satisfaction of judgment." Similarly, where a judgment for property damage exceeds \$1,000 as the result of an accident, payment of \$1,000 credited toward said judgment is defined as "satisfaction of judgment" for the purposes of the act, though such judgment would not be discharged.

Thus it appears that satisfaction of the injured party, within certain minimum limits, is the objective of the act and is explicitly defined as such. The act distinguishes between satisfaction of a judgment and its discharge. A license is not to be revoked, if, within the meaning of the act, it has been satisfied, though it may not be discharged.

As Justice Heher said in *Saffore v. Atlantic Casualty Ins. Co.*, *supra*, at p. 309:

"The essential reason of the law, its internal sense, is the key to its understanding.

"There is involved here, not a mere regulation of the relations between the insurer and the insured *inter partes*, but a policy for the protection of the public against irremedial injury from negligence in the operation of motor vehicles on the public highways, * * *."

The suspension of license privileges under the act is unrelated to the contractual rights, voluntarily assumed, between the defendant motorist and his surety who, in satisfying plaintiff's judgment, may acquire rights thereto by assignment or subrogation. It is our opinion that the clear meaning and purpose of the act has been met in this situation, and the judgment has been satisfied by payment to the party injured in the accident.

You are accordingly advised not to suspend the license or registration of a motorist under circumstances where a judgment is satisfied by his surety, although such judgment is not discharged of record.

Very truly yours,

DAVID D. FURMAN
Acting Attorney General

By: THEODORE I. BOTTER
Deputy Attorney General

JUNE 20, 1958

HONORABLE PHILLIP ALAMPI, *Secretary*
Department of Agriculture
1 West State Street
Trenton, New Jersey

MEMORANDUM OPINION—P-19

DEAR SECRETARY ALAMPI:

You have requested our opinion as to the scope and effect of N.J.S.A. 4:5-106.1 to 4:5-106.20 inclusive, P.L. 1957, Chapter 140 and the rules and regulations promulgated pursuant thereto, especially with respect to their applicability to the non-garbage feeding segment of the swine industry of the State of New Jersey. The bill was entitled "An act concerning the control of contagious and infectious swine diseases, providing for the licensing and regulating of garbage-feeding hog farms, and fixing the penalties for the violations of the provisions hereof." We have been advised by your office that the bill was prepared and introduced by the Legislature with the intent that it would apply to the entire swine industry. The following provisions are pertinent to this inquiry:

4:5-106.2 Rules and regulations:

"The board may adopt and promulgate such rules and regulations as it may deem necessary in carrying out the provisions of this act in order to prevent the spread of disease among domestic animals."