

## CHAPTER 335

**AN ACT** concerning the New Jersey Motor Vehicle Commission and revising various parts of the statutory law.

**WHEREAS**, In 2003, motor vehicle services in this State underwent a major transformation as the New Jersey Motor Vehicle Commission was created to replace the Division of Motor Vehicles as the agency with responsibility for issuing and certifying motor vehicle driver's licenses, ensuring the proper registration of motor vehicles, and for conducting safety and emissions inspections of motor vehicles; and

**WHEREAS**, Since its creation, the commission has been successful in making great improvements in the way in which the commission operates, especially in the areas of safety, security, and customer service; and

**WHEREAS**, In striving to better serve the residents of New Jersey, the commission is committed to continuously evaluating and addressing the need for improving its services and operations to achieve and sustain a level of excellence for the motoring public; and

**WHEREAS**, To advance these efforts, the commission has recommended making certain changes to the current organizational structure of the commission by establishing the current members of the commission as the "board" of the commission with the function of governing the commission and permitting the board to increase certain fees and surcharges by regulation; and

**WHEREAS**, The commission released the "MVC Forward" report in 2007, in which it identified the areas of the commission's operations that require improvement and created a roadmap for the commission's future; and

**WHEREAS**, It is therefore in the public interest for the Legislature to make certain improvements recommended by the commission and in the MVC Forward report to support the commission in its mission to continue to improve its services and operations to better serve the residents of this State; now, therefore

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

1. Section 3 of P.L.2003, c.13 (C.39:2A-3) is amended to read as follows:

C.39:2A-3 Definitions relative to New Jersey Motor Vehicle Commission.

3. As used in this act:

"Agency" or "motor vehicle agency" means that enterprise run by an agent designated by the commission to be the commission's agent for the registering of motor vehicles, issuing registration certificates and licensing of drivers, as provided in R.S.39:3-3 and R.S.39:10-25.

"Agent" or "Motor Vehicle Agent" means a person designated as agent in R.S.39:3-3 and R.S.39:10-25.

"Board" means the board established by section 12 of P.L.2003, c.13 (C.39:2A-12).

"Chair" means the chair of the board.

"Chief Administrator" or "administrator" means the chief administrator of the commission.

"Commission" means the New Jersey Motor Vehicle Commission established and created by section 4 of P.L.2003, c.13 (C.39:2A-4).

"Commissioner" means the Commissioner of Transportation of this State.

"Department" means the Department of Transportation of this State.

"Deputy Chief Administrator" or "deputy administrator" means the deputy chief administrator of the commission and all references in any law, rule, regulation or order to the Deputy Director of the division shall mean and refer to the deputy administrator.

"Director" means the Director of the Division of Motor Vehicles.

"Division" or "DMV" means the Division of Motor Vehicles in the Department of Transportation.

"Service charge" means an amount charged by the commission for services rendered, which includes all new fees and surcharges, increases in existing fees and surcharges, and such amounts as provided in section 105 of P.L.2003, c.13 (C.39:2A-36). Service charges are revenue of the commission and are not subject to appropriation as Direct State Services by the Legislature.

2. Section 12 of P.L.2003, c.13 (C.39:2A-12) is amended to read as follows:

C.39:2A-12 Board; membership; appointment; terms; vacancies.

12. a. Except as otherwise provided by law, the commission shall be governed by a board which shall consist of the following eight members:

(1) The Commissioner of Transportation, who shall serve as an ex officio voting member;

(2) The State Attorney General, who shall serve as an ex officio voting member;

(3) The Chair of the board who shall be a nonvoting member. The Chair shall be appointed by the Governor with the advice and consent of the Senate. The Chair shall serve at the pleasure of the Governor during the Governor's term of office, and shall receive such salary as shall be fixed by the Governor which is not greater than the salary of a cabinet-level official of the State. Prior to nomination, the Governor shall cause the Attorney General to conduct an inquiry into the nominee's background, financial stability, integrity and responsibility and reputation for good character, honesty and integrity. The person appointed and serving as Chair shall also be Chief Administrator of the commission and shall devote full time to the performance of the duties of that position. The Chief Administrator shall be in the State unclassified service;

(4) The State Treasurer, who shall serve as an ex officio voting member; and

(5) Four public members who shall be appointed by the Governor with the advice and consent of the Senate, not more than two of whom shall be of the same political party. The public members shall be voting members and serve for a term of four years. These members shall be New Jersey residents who shall provide appropriate geographic representation from throughout the State and who shall have experience and familiarity with public safety, customer service, security, or business operations. At least one member shall reside in a northern county (Bergen, Essex, Hudson, Morris, Passaic, Union, Sussex and Warren), at least one member shall reside in a central county (Hunterdon, Mercer, Middlesex, Monmouth and Somerset), and at least one member shall reside in a southern county (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem).

b. Appointments of public members to the board shall be for terms of four years, except that in filling each vacancy, among the several public members, that first arises by expiration of the respective terms of those members following the effective date of P.L.2007, c.335 (C.39:2A-36.1 et al.), appointments shall be for terms as follows: one member for four

years, one member for three years, one member for two years, and one member for one year. A public member may be appointed for any number of successive terms. The board may elect a secretary and a treasurer, who need not be members, and the same person may be elected to serve both as secretary and treasurer.

c. Each ex officio member of the board may designate two employees of the member's department or agency, who may represent the member at meetings of the board. A designee may lawfully vote and otherwise act on behalf of the member. The designation shall be in writing delivered to the board and shall continue in effect until revoked or amended by writing delivered to the board.

d. Each public member shall continue in office after the expiration of the member's term until a successor is appointed and qualified. The successor shall be appointed in like manner for the unexpired term only.

e. A vacancy in the membership of the board occurring other than by expiration of term shall be filled in the same manner as the original appointment, but for the unexpired term only.

3. Section 13 of P.L.2003, c.13 (C.39:2A-13) is amended to read as follows:

C.39:2A-13 Powers, duties of board.

13. a. In addition to any powers and duties conferred upon it elsewhere in this act, the board shall be authorized to:

- (1) Make, amend and repeal bylaws not inconsistent with State and federal law;
- (2) Adopt an official seal;
- (3) Maintain an office at such place or places within the State as it may designate;
- (4) Apply for and accept grants from the State or federal government, or any agency thereof, or grants, gifts or other contributions from any foundation, corporation, association or individual, or any private source, and comply with the terms, conditions and limitations thereof, as necessary and proper to carry out the purposes of this act;
- (5) Delegate to the administrator and any other officers of the commission such powers and duties as necessary and proper to carry out the purposes of this act;
- (6) Operate, lease, license or contract in such manner as to produce revenue for the commission, as provided in this act;
- (7) Accept and use any funds available to the commission;
- (8) Enter into agreements or contracts to pay for goods from and services rendered by any public or private entity, and receive payment for services rendered to any public or private entity; and
- (9) Enter into agreements or contracts, execute any and all instruments, and do and perform acts or things necessary, convenient or desirable for the purposes of the commission, or to carry out any power expressly or implicitly given in this act.

b. The board is further authorized to:

- (1) Review and approve a statement of the vision, mission, and goals of the commission, as submitted by the administrator;
- (2) Review and approve the strategic business plan of the commission which shall include the commission's long-term objectives, policies, and programs, including a facilities improvement and management plan and a table of organization, as submitted by the administrator;

(3) Review and approve the annual budget of the commission as submitted by the administrator and ensure that projected revenues and service charges are sufficient to adequately fund the commission both in the short and long-term;

(4) Receive reports and recommendations from the Advisory Councils created pursuant to this act and provide policy direction related thereto to the administrator;

(5) Review and recommend all capital purchases and construction projects undertaken by the commission;

(6) Review any proposed bill, joint resolution or concurrent resolution introduced in either House of the Legislature which establishes or modifies any motor vehicle statute or regulation in this State. Such a review shall include, but not be limited to, an analysis of the fiscal impact of the bill or resolution on the commission and any comments upon or recommendations concerning the legislation including rejection, modification or approval. Additionally, the board shall suggest alternatives to the legislation which it deems may be appropriate; and

(7) Recommend to the Governor and the Legislature any statutory changes it deems appropriate, including, but not limited to, any revisions to fees or service charges or changes to programs, in order to insure the proper functioning and operation of the commission.

c. Except as provided in this section and section 21 of P.L.2003, c.13 (C.39:2A-21), all administrative functions, powers and duties of the commission may be exercised by the administrator and any reference to the commission in any law, rule or regulation may for this purpose be deemed to refer to the administrator.

4. Section 14 of P.L.2003, c.13 (C.39:2A-14) is amended to read as follows:

C.39:2A-14 Election of vice-chair.

14. The board shall elect annually, by a majority of the full membership of the board, one of its members, other than the Chair, to serve as Vice-Chair for the ensuing year. The Vice-Chair shall hold office until January 1 next ensuing. The Vice-Chair, acting in the capacity of presiding officer, shall carry out all of the responsibilities of the Chair of the board during the Chair's absence, disqualification, or inability to serve.

5. Section 15 of P.L.2003, c.13 (C.39:2A-15) is amended to read as follows:

C.39:2A-15 Member compensation.

15. Members other than those serving ex officio shall serve without compensation, but the board shall reimburse board members for actual expenses necessarily incurred in the discharge of their duties.

6. Section 16 of P.L.2003, c.13 (C.39:2A-16) is amended to read as follows:

C.39:2A-16 Meetings of board.

16. a. The board shall meet every other month or at more frequent times at the discretion of the Chair or as a majority of the board shall decide. Meetings of the board shall be held at such times and places as the Chair may deem necessary and convenient.

b. The meetings shall be subject to the provisions of the "Senator Byron M. Baer Open Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.).

c. Any other law, rule or regulation to the contrary notwithstanding, the board shall take all necessary steps to ensure that all interested persons are given adequate notice of board

meetings and the agenda of such meetings, through the utilization of media engaged in the dissemination of information.

d. The powers of the board shall be vested in the members thereof. Four members of the board shall constitute a quorum at any meeting. Actions may be taken and motions and resolutions adopted by the board by the affirmative vote of at least four voting members. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the board.

7. Section 17 of P.L.2003, c.13 (C.39:2A-17) is amended to read as follows:

C.39:2A-17 Minutes delivered to Governor, effect of veto.

17. A true copy of the minutes of every meeting of the board shall be delivered by and under the certification of the secretary of the board, without delay, to the Governor. No action taken at the meeting shall have force or effect until 10 days, Saturdays, Sundays, and public holidays excepted, after the minutes are delivered, unless during the 10-day period the Governor approves the minutes, in which case the action shall become effective upon approval. If, in that 10-day period, the Governor returns copies of the minutes with a veto of any action taken by the board or any member, the action shall be null and void and of no effect.

8. Section 18 of P.L.2003, c.13 (C.39:2A-18) is amended to read as follows:

C.39:2A-18 Members subject to Conflicts of Interest Law.

18. Members of the board shall be subject to the provisions of the "New Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et seq.).

9. Section 19 of P.L.2003, c.13 (C.39:2A-19) is amended to read as follows:

C.39:2A-19 Removal of member.

19. Each appointed member of the board may be removed from office by the Governor for cause, after a public hearing and may be suspended by the Governor pending the completion of the hearing. Before assuming the duties of board membership, each member shall take and subscribe an oath to perform the duties of the office faithfully, impartially and justly to the best of the member's ability. A record of the oaths shall be filed in the office of the Secretary of State.

10. Section 21 of P.L.2003, c.13 (C.39:2A-21) is amended to read as follows:

C.39:2A-21 Rules, regulations.

21. The board shall adopt all rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) for the proper functioning of the commission, and as necessary to effectuate the purposes of this act, except for those relating to the internal governance of the commission adopted by the administrator. Current rules and regulations of the division shall remain in full force and effect until such time as they are repealed or amended by the board or in accordance with any other law.

11. Section 22 of P.L.2003, c.13 (C.39:2A-22) is amended to read as follows:

C.39:2A-22 Annual report to Governor, Legislature.

22. a. On or before January 31 of each year, the commission shall file with the Governor, the presiding officer of each House of the Legislature, and the Senate Transportation Committee and the Assembly Transportation and Public Works Committee, or their successors, a report setting forth the operational, capital and financial expenditures of the previous year, and the operational, capital, and financial plan, and the table of organization and staffing plan, for the current year.

The commission shall include in this report the latest audited annual financial statement. In this statement, the commission shall disclose all revenues remitted to the commission and provide a detailed listing of the various categories in which it receives revenue, including any surplus revenue from the prior year.

The commission shall also include in the report an assessment of the service provided by the commission. The assessment shall include information or data or both relating to security improvements, annual transactions performed, customer wait times, and criminal complaints.

b. The commission shall cause a financial audit of its books and accounts to be made at least once each year by certified public accountants and a copy thereof shall be filed with the State Treasurer.

c. (Deleted by amendment, P.L.2007, c.335).

12. Section 23 of P.L.2003, c.13 (C.39:2A-23) is amended to read as follows:

C.39:2A-23 Immunity from liability.

23. Members of the board and officers and employees of the commission shall not be liable in an action for damages to any person for any action taken or recommendation made within the scope of their employment as a member, officer or employee if the action or recommendation was taken or made without malice. The members of the board shall be indemnified and their defense of any action provided for in the same manner and to the same extent as employees of the State under the "New Jersey Tort Claims Act," P.L.1972, c.45 (N.J.S.59:1-1 et seq.) on account of acts or omissions in the scope of their employment.

13. Section 26 of P.L.2003, c.13 (C.39:2A-26) is amended to read as follows:

C.39:2A-26 Advisory councils.

26. There are created within the commission five advisory councils, which shall provide the board with advice, technical expertise, information, guidance, and recommendations in four general areas. The board shall designate the appropriate State and local government representatives, interest group representatives, technical experts, and constituent representatives as appropriate to serve on the councils. Federal government representatives and representatives of national organizations shall be asked to serve, and if willing, shall be designated by the board to serve. All council members shall be designated by board action and shall serve on rotating terms so as to provide stability and continuity on each council. The Chair, or the Chair's designee, shall serve on each council. The councils shall meet and report to the board as frequently as the board requests. The councils are as follows:

a. The Safety Advisory Council, which shall advise the board regarding the commission's policies, operating practices, regulations and standards in regard to driver, motor vehicle and traffic safety and consider new initiatives or legislation to enhance the safety of the motoring public.

b. The Customer Service Advisory Council, which shall advise the board regarding the commission's policies, operating practices, employee communications, regulations, and standards in providing appropriate customer service. The council shall: examine benchmarking performance and level of service standards for the Contact Center; examine internal communications to ensure consistency and systematic application; make recommendations regarding marketing and the dissemination of information to the public to re-establish a robust marketing and public information program which informs and educates public consumers; and advise on all aspects of customer service at the commission.

c. The Security and Privacy Advisory Council, which shall: advise the board as to how to effectively maintain the commission's system and business processes in the securest manner; help the board to address the commission's most serious security breaches; advise as to new or modified programs needed to achieve heightened security; and recommend methods to curtail fraudulent and criminal activities that present threats to the State's security as well as measures to protect the privacy of driver information, including but not limited to the Driver's Privacy Protection Act of 1994, Pub.L.103-322.

d. The Business Advisory Council, which shall advise the board on improvements in the commission's business practices which affect its public and private partners, regulated entities, interest groups, businesses, and constituents in providing motor vehicle services.

e. The Technology Advisory Council, which shall advise the board on the latest and best technological services and equipment to ensure continued modernization of the commission's facilities, equipment, operations, security, and customer service.

In addition to the five councils created above, the chief administrator may create and establish as necessary within the commission any other advisory council to examine issues affecting or identified by the commission. The members of such councils shall be designated, serve, meet and report to the board as provided for the members of the five councils created above.

14. Section 28 of P.L.2003, c.13 (C.39:2A-28) is amended to read as follows:

C.39:2A-28 Powers, duties of administrator.

28. In addition to any powers and duties otherwise imposed by this act, the administrator shall have general responsibility for the implementation of this act, and shall, without limitation:

a. Perform, exercise and discharge the functions, powers and duties of the commission through such offices as may be established by this act or otherwise by law;

b. Administer and organize the work of the commission in such organizational units, and from time to time alter the plan of organization as deemed expedient, as necessary for the secure, efficient and effective operation of the commission;

c. Appoint, remove and fix the compensation of subordinate officers and other personnel employed by the commission in accordance with the commission's table of organization, except as herein otherwise specifically provided;

d. Appoint, remove, and fix the compensation and terms of employment of the deputy administrator, who shall serve in the State unclassified service, in accordance with the commission's table of organization;

e. Organize and maintain an administrative office and employ therein such secretarial, clerical and other assistants in the commission as the internal operations of the commission may require;

- f. Formulate and adopt rules and regulations for the efficient conduct of the work and general administration of the commission, its officers and employees;
- g. Prepare an annual budget, and submit it to the board;
- h. Prepare annually, a strategic business plan and submit it to the board, including a facilities improvement and management plan and a table of organization;
- i. Institute or cause to be instituted such legal proceedings or processes as may be necessary to properly enforce and give effect to any of the powers or duties of the administrator;
- j. Report as the Governor shall from time to time request or as may be required by law;
- k. Collect all fees, fines, penalties, surcharges, service charges and other charges imposed by this act and the regulations issued pursuant thereto or pursuant to law;
- l. Develop and maintain a master list of all assets;
- m. Oversee the implementation of the facilities improvement and management plan, in consultation with the State Treasurer; and
- n. Perform such other functions as may be prescribed in this act or by any other law or by the board.

15. Section 105 of P.L.2003, c.13 (C.39:2A-36) is amended to read as follows:

C.39:2A-36 Revenues to be remitted to commission, General Fund.

105. a. The first \$200,000,000 of fees and surcharges thereon collected pursuant to the following statutes shall be considered service charges which are revenues to be remitted to the New Jersey Motor Vehicle Commission and the remainder shall be remitted to the General Fund, provided that if the total amount of such fees and surcharges collected, as verified by the relevant fiscal year New Jersey Comprehensive Annual Financial Report, produce more or less revenue than the sum of \$200,000,000 and the amount anticipated in the fiscal year 2004 Appropriations Act for those statutes, then the \$200,000,000 in revenue from those service charges to the commission shall be increased or lowered proportionately:

Section 4 of P.L.1995, c.401 (C.12:7-73); section 24 of P.L.1984, c.152 (C.12:7A-24); section 28 of P.L.1984, c.152 (C.12:7A-28); section 1 of P.L.1983, c.65 (C.17:29A-33); section 6 of P.L.1983, c.65 (C.17:29A-35); section 9 of P.L.1998, c.108 (C.27:5F-42); R.S.39:2-10; section 1 of P.L.1969, c.301 (C.39:3-4b); section 2 of P.L.1969, c.301 (C.39:3-4c); R.S.39:3-8; section 2 of P.L.1968, c.439 (C.39:3-8.1); section 1 of P.L.1992, c.87 (C.39:3-8.2); R.S.39:3-10; section 23 of P.L.1975, c.180 (C.39:3-10a); section 1 of P.L.1977, c.23 (C.39:3-10b); section 1 of P.L.1979, c.261 (C.39:3-10f); section 22 of P.L.1990, c.103 (C.39:3-10.30); R.S.39:3-13; R.S.39:3-18; R.S.39:3-19; section 2 of P.L.1974, c.162 (C.39:3-19.2); section 12 of P.L.1979, c.224 (C.39:3-19.5); R.S.39:3-20; section 1 of P.L.1973, c.319 (C.39:3-20.1); R.S.39:3-21; R.S.39:3-24; R.S.39:3-25; R.S.39:3-26; section 2 of P.L.1964, c.195 (C.39:3-27.4); section 2 of P.L.1968, c.247 (C.39:3-27.6); section 2 of P.L.1977, c.369 (C.39:3-27.9); section 2 of P.L.1979, c.457 (C.39:3-27.16); section 2 of P.L.1981, c.139 (C.39:3-27.19); R.S.39:3-28; R.S.39:3-30; R.S.39:3-31; section 1 of P.L.1961, c.77 (C.39:3-31.1); R.S.39:3-32; section 1 of P.L.1999, c.192 (C.39:3-33a); section 1 of P.L.2001, c.35 (C.39:3-33b); section 2 of P.L.1959, c.56 (C.39:3-33.4); section 4 of P.L.1959, c.56 (C.39:3-33.6); R.S.39:3-36; section 1 of P.L.1979, c.314 (C.39:3-54.14); section 2 of P.L.1999, c.308 (C.39:3-75.2); R.S.39:3-84; section 2 of P.L.1999, c.396 (C.39:3-84.7); section 3 of P.L.1973, c.307 (C.39:3C-3); section 10 of P.L.1983, c.105 (C.39:4-14.3j); section 23 of P.L.1983, c.105 (C.39:4-14.3w); R.S.39:4-26; R.S.39:4-30; section 11 of P.L.1985, c.14 (C.39:4-139.12); section 1 of P.L.1972, c.38 (C.39:5-30.4); section 31 of P.L.1994, c.60



(C.39:5-36.1); section 20 of P.L.1952, c.173 (C.39:6-42); section 2 of P.L.1983, c.141 (C.39:6B-3); R.S.39:7-3; section 3 of P.L.1975, c.156 (C.39:8-11); section 8 of P.L.1975, c.156 (C.39:8-16); section 9 of P.L.1975, c.156 (C.39:8-17); section 15 of P.L.1975, c.156 (C.39:8-23); section 5 of P.L.1995, c.112 (C.39:8-45); section 7 of P.L.1995, c.112 (C.39:8-47); section 12 of P.L.1995, c.112 (C.39:8-52); section 11 of P.L.1995, c.157 (C.39:8-69); section 13 of P.L.1995, c.112 (C.39:8-53); section 14 of P.L.1995, c.112 (C.39:8-54); R.S.39:10-11; R.S.39:10-12; R.S.39:10-14; R.S.39:10-16; R.S.39:10-19; R.S.39:10-25; section 5 of P.L.1983, c.323 (C.39:10-35); section 8 of P.L.1983, c.455 (C.39:10A-15); R.S.39:11-8; section 2 of P.L.1951, c.216 (C.39:12-2); section 5 of P.L.1951, c.216 (C.39:12-5); and section 2 of P.L.1983, c.360 (C.39:13-2).

Proportional revenues remitted to the commission for the fiscal years beginning July 1, 2004 and thereafter shall have the same proportion as the proportional revenues remitted to the commission for the fiscal year beginning July 1, 2003, and this calculation shall not be impacted by the acceleration of revenue attributable to new passenger automobile registrations implemented pursuant to P.L.2004, c.64.

b. In addition to the proportionately increased or lowered revenue provided for in subsection a. of this section, the commission shall receive 100 percent of the revenues collected from any new service charge and 100 percent of the increased revenues collected from any existing service charge increased by law or regulation. Any new or increased service charge shall not be included in the calculation of the proportional revenue remitted to the commission.

c. In addition to the revenues provided for in subsections a. and b. of this section, all fees collected pursuant to Chapter 3 of Title 39 of the Revised Statutes required to defray the costs of the commission with respect to producing, issuing, renewing, and publicizing license plates, or related computer programming shall be considered revenues of the commission notwithstanding any other provision of law.

d. Revenues of the commission shall not be subject to appropriation as direct State services by the Legislature. In addition, the revenues of the commission shall not be restricted from use by the commission in any manner except as provided by law. Revenues of the commission may be used in the furtherance of any purpose of the commission or as otherwise provided for by law.

#### C.39:2A-36.1 Increase in fees, surcharges.

16. a. On and after the effective date of P.L.2007, c.335 (C.39:2A-36.1 et al.), the board may, by regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), increase fees and surcharges collected pursuant to the following statutes, notwithstanding any law, rule, or regulation to the contrary:

Section 4 of P.L.1995, c.401 (C.12:7-73); section 24 of P.L.1984, c.152 (C.12:7A-24); section 28 of P.L.1984, c.152 (C.12:7A-28); section 1 of P.L.1983, c.65 (C.17:29A-33); section 6 of P.L.1983, c.65 (C.17:29A-35); section 9 of P.L.1998, c.108 (C.27:5F-42); R.S.39:2-10; section 1 of P.L.1969, c.301 (C.39:3-4b); section 2 of P.L.1969, c.301 (C.39:3-4c); section 2 of P.L.1968, c.439 (C.39:3-8.1); section 1 of P.L.1992, c.87 (C.39:3-8.2); section 23 of P.L.1975, c.180 (C.39:3-10a); section 1 of P.L.1977, c.23 (C.39:3-10b); section 1 of P.L.1979, c.261 (C.39:3-10f); section 22 of P.L.1990, c.103 (C.39:3-10.30); R.S.39:3-13; R.S.39:3-18; R.S.39:3-19; section 2 of P.L.1974, c.162 (C.39:3-19.2); section 12 of P.L.1979, c.224 (C.39:3-19.5); R.S.39:3-20; section 1 of P.L.1973, c.319 (C.39:3-20.1); R.S.39:3-21; R.S.39:3-24; R.S.39:3-25; R.S.39:3-26; section 2 of P.L.1964, c.195 (C.39:3-27.4); section 2 of P.L.1968, c.247 (C.39:3-27.6); section 2 of P.L.1977, c.369 (C.39:3-27.9);

section 2 of P.L.1979, c.457 (C.39:3-27.16); section 2 of P.L.1981, c.139 (C.39:3-27.19); R.S.39:3-28; R.S.39:3-30; R.S.39:3-31; section 1 of P.L.1961, c.77 (C.39:3-31.1); R.S.39:3-32; section 1 of P.L.1999, c.192 (C.39:3-33a); section 1 of P.L.2001, c.35 (C.39:3-33b); section 2 of P.L.1959, c.56 (C.39:3-33.4); section 4 of P.L.1959, c.56 (C.39:3-33.6); R.S.39:3-36; section 1 of P.L.1979, c.314 (C.39:3-54.14); section 2 of P.L.1999, c.308 (C.39:3-75.2); R.S.39:3-84; section 2 of P.L.1999, c.396 (C.39:3-84.7); section 3 of P.L.1973, c.307 (C.39:3C-3); section 10 of P.L.1983, c.105 (C.39:4-14.3j); section 23 of P.L.1983, c.105 (C.39:4-14.3w); R.S.39:4-26; R.S.39:4-30; section 11 of P.L.1985, c.14 (C.39:4-139.12); section 1 of P.L.1972, c.38 (C.39:5-30.4); section 31 of P.L.1994, c.60 (C.39:5-36.1); section 20 of P.L.1952, c.173 (C.39:6-42); section 2 of P.L.1983, c.141 (C.39:6B-3); R.S.39:7-3; section 3 of P.L.1975, c.156 (C.39:8-11); section 8 of P.L.1975, c.156 (C.39:8-16); section 9 of P.L.1975, c.156 (C.39:8-17); section 15 of P.L.1975, c.156 (C.39:8-23); section 5 of P.L.1995, c.112 (C.39:8-45); section 7 of P.L.1995, c.112 (C.39:8-47); section 12 of P.L.1995, c.112 (C.39:8-52); section 11 of P.L.1995, c.157 (C.39:8-69); section 13 of P.L.1995, c.112 (C.39:8-53); section 14 of P.L.1995, c.112 (C.39:8-54); R.S.39:10-11; R.S.39:10-12; R.S.39:10-14; R.S.39:10-16; R.S.39:10-19; R.S.39:10-25; section 5 of P.L.1983, c.323 (C.39:10-35); section 8 of P.L.1983, c.455 (C.39:10A-15); R.S.39:11-8; section 2 of P.L.1951, c.216 (C.39:12-2); section 5 of P.L.1951, c.216 (C.39:12-5); and section 2 of P.L.1983, c.360 (C.39:13-2).

b. (1) In determining an appropriate increase of any fee or surcharge pursuant to subsection a. of this section, the board shall consider at least the following factors: (a) the year in which the fee or surcharge was last increased; (b) the actual costs to the State of New Jersey for administering any transaction, process, filing, registration, inspection, audit, or any license, permit, or other document issuance, for which the fee or surcharge is collected; and (c) the annual percentage increase in the Consumer Price Index or other similar relevant index.

No fee or surcharge set forth in this section shall be increased by regulation more than once during any five-year period, and no such fee or surcharge shall be increased beyond an amount that exceeds the actual costs to the State of New Jersey for administering any transaction, process, filing, registration, inspection, audit, or any license, permit, or other document issuance, for which the fee or surcharge is collected.

(2) All increases in a fee or surcharge after the first increase shall also be subject to the following limitation: the increase shall not exceed the cumulative annual percentage increase in the Consumer Price Index for the five fiscal years prior to the date of the proposed subsequent increase.

(3) All increases in fees or surcharges imposed by regulation proposed to be adopted in a calendar year shall be consolidated in one single regulatory proposal in that calendar year.

(4) As used in this section, the "Consumer Price Index" means the consumer price index for all urban consumers in the New York City and Philadelphia areas as reported by the Department of Labor or successor index.

c. Pursuant to subsection b. of section 105 of P.L.2003, c.13 (C.39:2A-36), 100 percent of the increased revenues collected from such increase shall be remitted to the commission.

17. Section 110 of P.L.2003, c.13 (C.39:2A-38) is amended to read as follows:

C.39:2A-38 Additional fees as security surcharge; commission revenue.

110. In addition to the vehicle registration fees imposed pursuant to the provisions of chapters 3, 4, and 8 of Title 39 of the Revised Statutes, the commission shall impose and

collect an additional \$7 for each new and renewal vehicle registration as a security surcharge, which surcharge shall take effect on the enactment of P.L.2003, c.13 (C.39:2A-1 et al.). The security surcharges collected pursuant to this section shall be revenues of the commission and shall not be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36). The security surcharge shall not be imposed on the registration of passenger vehicles registered to persons possessing a valid handicapped person identification card issued pursuant to section 2 of P.L.1949, c.280 (C.39:4-205) or to persons aged 65 years of age or older at the time of registration or registration renewal. Revenues of the commission shall not be subject to appropriation as direct State services by the Legislature. In addition, the revenues of the commission shall not be restricted from use by the commission in any manner except as provided by law. Revenues of the commission may be used in the furtherance of any purpose of the commission or as otherwise provided for in law.

18. R.S.39:3-3 is amended to read as follows:

Motor vehicle agents, appointment, duties; background checks.

39:3-3. A Motor Vehicle Agent (hereinafter "agent") shall administer and ensure the efficient operations of a local commission office. The board shall designate at least one person in each county to be its agent for the registering of motor vehicles, issuing registration certificates and licensing of drivers, subject to the requirements of this subtitle and to any rules and regulations the board imposes. The agent shall so act until the agent's authority is revoked by the board. All moneys received by such agents for registrations and licenses granted under the provisions of this chapter shall forthwith be deposited as received with the State Treasurer. Notwithstanding any provision of law to the contrary, all current agent contracts shall remain in effect until their expiration. Until the agent contract expires, the fee allowed the agent for registration certificates issued by him and for every license granted by him shall be fixed by the board on the basis of the registration or license fees collected by the agent. The board may limit the fee so paid to a maximum. Such fee shall be paid to the agent by the State Treasurer upon the voucher of the commission in the same manner as other State expenses are paid until the agent contract expires. At such time as the agent becomes a State employee, the agent shall receive a salary as fixed by the administrator in accordance with the commission table of organization. Future agent appointments shall be in the State unclassified service and the agents shall serve at the pleasure of the administrator. To determine suitability for appointment, all agents shall undergo a background check prior to appointment based upon an examination of State, federal and financial records. No person shall be appointed as an agent who has contributed \$1,000 or more to any gubernatorial or State party committee in any one year during the five years preceding appointment. All agents appointed pursuant to this section shall be qualified by education and experience to administer and ensure the efficient operation of a local commission office. As used in this section, education and experience shall include a background in law enforcement, security services, customer relations or services; business administration, finance or management; or public administration or finance.

19. Section 2 of P.L.1969, c.301 (C.39:3-4c) is amended to read as follows:

Rules, regulations relative to issuance of temporary registration certificates, plates.

39:3-4c. The chief administrator may prescribe rules and regulations governing the issuance of temporary registration certificates and temporary plates by motor vehicle dealers, motorized bicycle dealers, and the Motor Vehicle Commission and may require security in sufficient amount to guarantee payment of all fees and moneys to the State of New Jersey and, upon a finding that any abuse has been practiced by any licensed motor vehicle or motorized bicycle dealer, the chief administrator shall have the right to suspend such dealer's privilege or franchise to issue such temporary registration certificates and plates. Temporary registration certificates for vehicles to be permanently registered in New Jersey shall be valid for a period of 30 days. In the event permanent registration has been delayed by reason of a lost title certificate or failure of a lien holder to timely turn over a certificate of title, a second temporary registration certificate may be issued. A licensed motor vehicle or motorized bicycle dealer shall make a record in the form and manner prescribed by the chief administrator for each such second temporary registration certificate issued and shall pay an enhanced fee to be determined by the chief administrator for each such registration issued. Each licensed motor vehicle or motorized bicycle dealer shall annually determine the fees to be paid pursuant to this section and shall remit annually under certification the amount due to the Motor Vehicle Commission.

No temporary registration certificate shall be issued by a licensed dealer hereunder unless such licensed dealer has confirmed that the vehicle for which the temporary registration is to be issued is insured in accordance with the requirements of the "Motor Vehicle Security-Responsibility Law," P.L.1952, c.173 (C.39:6-23 et seq.), whether by a policy in the name of the purchaser or an endorsement to a policy in the name of the licensed dealer, provided, however, no permanent registration shall be issued unless a policy in the name of the purchaser or someone in the purchaser's household is confirmed.

A temporary registration certificate issued hereunder may be issued by any employee authorized by a licensed dealer to do so; however, the licensee shall be liable for the acts of any such authorized person in issuing temporary registrations, whether the particular unlawful acts were authorized or unauthorized.

20. R.S.39:3-18 is amended to read as follows:

General registration; "D" or temporary plates, use, security, fees.

39:3-18. A manufacturer of motor vehicles, motor-drawn vehicles, motor vehicle bodies, motorized bicycles, or motorcycles doing business in this State may, with regard to motor or motor-drawn vehicles, motorized bicycles, or motorcycles owned or controlled by him, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the letter "D" stated thereon. Such plates can be placed on any vehicle or cycle owned or controlled by such manufacturer, but only if it is operated only for shop, demonstration or delivery purposes.

A bona fide converter of commercial motor vehicles, motor-drawn vehicles or motor vehicle chassis doing business in this State may, with regard to motor or motor-drawn vehicles owned or controlled by him, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the letter "D" stated thereon. Such plates can be placed on any vehicles owned or controlled by such converter, but only if such vehicles are operated for shop, demonstration or delivery purposes.

A bona fide dealer in motor vehicles, motor-drawn vehicles or motorcycles doing business in this State and having a license to do business as such issued by the chief administrator may, with regard to motor or motor-drawn vehicles or cycles owned by him, obtain general

registration and registration plates therefor of the style and kind provided for in this subtitle, with the letter "D" stated thereon. Such plates shall only be placed on any vehicle or cycle owned by such dealer; and provided, such vehicle is not used for hire. Such vehicles may be assigned to dealership principals or employees for product familiarization or compensation purposes, and may be used for any lawful purpose, including personal use, and personal use by persons authorized by those dealership employees or principals. Any person who shall be convicted of a violation of this paragraph shall be subject to a fine not exceeding \$1000.

A bona fide dealer in motorized bicycles, as defined in R.S.39:1-1, who has an established place of business in this State, may, with regard to motorized bicycles owned by him, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the letter "D" stated thereon. The plates can be placed on a motorized bicycle by the dealer, but only if the motorized bicycle is operated only for shop, demonstration, or delivery purposes.

Any person engaged in the business of financing the purchase of motor or motor-drawn vehicles or motorized bicycles or lending money thereon may, with regard to motor or motor-drawn vehicles or motorized bicycles owned or controlled by him, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the word "temporary" stated thereon. Such plates can be placed on any such vehicle only when it is being transported from the place where it has been kept by the purchaser or borrower to the place where it is to be kept by the reposessor, or when the reposessor desires to operate it for the purpose of demonstration for sale.

Any corporation engaged in the business of insuring motor vehicles, motorized bicycles, or motor-drawn vehicles against theft may, with regard to vehicles owned or controlled by it, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the word "temporary" stated thereon. Such plates can be placed on any such vehicle, if ownership or control thereof has been obtained by virtue of the terms of an insurance against theft contract made by such corporation, and only when the vehicle is to be transported for delivery to the owner thereof from the place where it has been abandoned by or seized from a thief.

Any person, partnership or corporation engaged in the business of transporting motor or motor-drawn vehicles or motorized bicycles from the place of manufacture for delivery to dealers may, with regard to such vehicles, obtain general registration and registration plates therefor of the kind and style provided for in this subtitle, with the word "temporary" stated thereon, but only if the chief administrator is satisfied as to the financial responsibility of such person, partnership or corporation to meet any claim for damages arising out of any automobile accident and satisfactory evidence of such responsibility has been filed with him.

Any person engaged in the business of renting or leasing motor vehicles, motorized bicycles, or motor-drawn vehicles may, with regard to said motor vehicles, motorized bicycles, or motor-drawn vehicles owned by him, obtain general registration and registration plates therefor, provided for in this subtitle, with the word "temporary" stated thereon. Said registration plates may be placed on any motor vehicle, motorized bicycle, or motor-drawn vehicle owned by such person while said vehicle is not individually registered and not in use as a rented or leased vehicle.

A bona fide dealer in "nonconventional" type motor vehicles, as defined in R.S.39:10-2, who has an established place of business in this State, may, with regard to "nonconventional" type motor vehicles owned by him, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the letter "D" stated thereon. Such plates can be placed on any "nonconventional" type motor vehicle by such dealer, but only if

such "nonconventional" type motor vehicle is operated only for shop, demonstration or delivery purposes.

Any person, partnership or corporation engaged in the business of conducting a wholesale automobile auction block in this State for duly licensed dealers only, at least once each week, may, with regard to vehicles controlled by it, obtain general registration and registration plates therefor of the style and kind provided for in this subtitle, with the word "temporary" stated thereon. Such plates can be placed on any vehicle controlled by the auction block, which is to be transported from the place where stored by the owner to the auction block. Such plates may not be displayed on a vehicle sold at the auction block for delivery to the purchaser. Application for such plates shall be approved only if the chief administrator is satisfied as to the financial responsibility of such person, partnership or corporation to meet any claim for damages arising out of any automobile accident and satisfactory proof of such responsibility has been filed with him.

Registration plates issued pursuant to this section shall be a single plate and shall be issued in sets of five and shall bear the letter "D" or the word "temporary" and shall bear a number corresponding to the number on the certificate of registration. The single registration plate shall be displayed in accordance with the provisions of R.S.39:3-33.

The annual fee for the issuance of a certificate of registration, four duplicates thereof and one set of five single "D" or "temporary" plates bearing a number corresponding to the number on the certificate of registration shall be \$100.00; but the annual fee for the issuance of a certificate of registration for motorcycles or motorized bicycles, two duplicates thereof and one set of three single "D" plates bearing a number on the certificate of registration shall be \$20.00.

Following the effective date of P.L.2007, c.335 (C.39:2A-36.1 et al.), the chief administrator may, as a condition for the issuance of general registration and registration plates, require security in an amount deemed sufficient by the chief administrator to secure the prompt return of such plates to the Motor Vehicle Commission when the use and possession of such plates by any person or entity previously entitled to the plates pursuant to this section is no longer necessary or proper in the determination of the chief administrator. Any security amount held by the Motor Vehicle Commission as security for any returned plates shall be refunded to the person or entity to whom the plates were issued.

21. R.S.39:10-6 is amended to read as follows:

Ownership, registration certificates, other documentation.

39:10-6. Every person shall have for each motor vehicle in his possession in this State: (a) certificate of ownership therefor in conformity with this chapter, and (b) the registration certificate for the motor vehicle, if it is registered by the chief administrator and a registration certificate has been issued therefor. He shall produce either the certificate of ownership or registration certificate, at the discretion of the chief administrator, upon demand for production thereof by the chief administrator. If he fails to do so, the chief administrator may seize and take possession of the motor vehicle and hold and dispose of it in accordance with R.S.39:10-21.

If a motor vehicle is registered in or bears the registration plates of another state or country and is being used or operated in this State, the person in possession of it or using or operating it in this State must be entitled to ownership or possession in accordance with the laws of the state or country where it is registered or the registration plates of which it bears, and shall produce to the chief administrator documents showing title to, or right of

possession in, the motor vehicle in that person or in the person who has authorized him to use and operate it, or registration certificate or other evidence of registration, besides plates, issued by the state or country or department thereof to that person, or to the person who has authorized him to use and operate the motor vehicle, evidencing the registration of the motor vehicle in that state or country.

When a motor vehicle is in the possession of a garage keeper, motor vehicle dealer, both new and used, or motor vehicle service station in this State, the production of a writing signed by the person delivering possession of the motor vehicle to the garage keeper, dealer or service station, stating that the person is the owner or entitled to the possession of the motor vehicle and has title papers or the registration certificate therefor, shall be deemed a compliance with this section insofar as the garage keeper, dealer and service station are concerned. In the case of a licensed motor vehicle dealer, the production of a writing signed by the person or persons delivering possession of the motor vehicle to the dealer, assigning to that dealer the right to title or possession or both of and to the vehicle, or in the case of a new vehicle, a copy of the manufacturer's certificate of origin, shall constitute compliance with this section.

22. R.S.39:10-8 is amended to read as follows:

Certificate of origin, title; security interests.

39:10-8. When a new motor vehicle is delivered in this State by the manufacturer to his agent or a dealer, or a person purchasing directly from the manufacturer, the manufacturer shall execute and deliver to his agent or a dealer, or a person purchasing directly from the manufacturer, a certificate of origin in the form prescribed by the chief administrator of the New Jersey Motor Vehicle Commission, and no person shall bring into this State any new motor vehicle unless he has in his possession the certificate of origin as prescribed by the director. The certificate of origin shall contain the manufacturer's vehicle identification number and the motor number when used of the motor vehicle sold, name of the manufacturer, the manufacturer's shipping weight, a general description of the body, if any, the type and model and the gross vehicle weight rating.

When a new motor vehicle is sold in this State, the manufacturer, his agent or a dealer shall execute and deliver to the purchaser an assignment of the certificate of origin, with the genuine names and business or residence addresses of both stated thereon, and certified to have been executed with full knowledge of the contents and with the consent of both purchaser and seller. If, in connection with such sale, a security interest is taken or retained by the seller to secure all or a part of the purchase price of the motor vehicle, or is taken by a person who by making an advance or incurring an obligation gives value to enable the purchaser to acquire rights in the motor vehicle, the original certificate of origin need not be delivered to the buyer at time of sale, and the original certificate of origin, with the name and business address of the secured party noted, may be delivered directly to the Motor Vehicle Commission for issuance of a certificate of title in the name of the purchaser. The name and the business or residence address of the secured party or his assignee shall be noted on the manufacturer's certificate of origin. Nothing in this section shall apply to security interests in motor vehicles which constitute inventory held for sale, but such interests shall be subject to chapter 9 of Title 12A of the New Jersey Statutes.

23. R.S.39:10-9 is amended to read as follows:

Subsequent sales; power of attorney, security interests.

39:10-9. When a used motor vehicle is sold in this State, the seller shall, except as provided in section 39:10-15 of this Title, execute and deliver to the purchaser, an assignment of the certificate of ownership or an assignment of the bill of sale issued prior to October 1, 1946, or, in the event the vehicle is subject to a security interest, or for some other reason the original certificate of ownership is not in the possession of the seller, and where the purchaser is a licensed New Jersey motor vehicle dealer, the seller may execute a secure power of attorney as required under the federal Truth in Mileage Act of 1986, Pub.L.99-579 (49 U.S.C. s.32705) or such other documents as the chief administrator may require, authorizing the licensed dealer to execute the original title upon obtaining possession of same. If a security interest exists at the time of such sale and will continue in effect afterwards or if, in connection with such sale, a security interest is taken or retained by the seller to secure all or a part of the purchase price of the motor vehicle, or is taken by a person who by making an advance or incurring an obligation gives value to enable the purchaser to acquire rights in the motor vehicle, the name and the business or residence address of the secured party or his assignee shall be noted on the certificate of ownership. If the seller is a licensed New Jersey motor vehicle dealer, the seller shall not be required to deliver an assignment or certificate of ownership at the time of sale, provided that the dealer has satisfied all liens noted on the certificate of title and has the right to title as of the time of sale, and provided that the dealer represents and attests to the same in a writing to be delivered to the purchaser at the time of sale. Nothing in this section shall apply to security interests in motor vehicles which constitute inventory held for sale, but such interests shall be subject to chapter 9 of Title 12A of the New Jersey Statutes.

24. R.S.39:10-19 is amended to read as follows:

Dealer's license; eligibility, term, fee.

39:10-19. No person shall engage in the business of buying, selling or dealing in motor vehicles in this State, nor shall a person engage in activity that would qualify the person as a leasing dealer, as defined in section 2 of P.L.1994, c.190 (C.56:12-61), unless: a. the person is a licensed real estate broker acting as an agent or broker in the sale of mobile homes without their own motor power other than recreation vehicles as defined in section 3 of P.L.1990, c.103 (C.39:3-10.11), or manufactured homes as defined in section 3 of P.L.1983, c.400 (C.54:4-1.4); or b. the person is authorized to do so under the provisions of this chapter. The chief administrator may, upon application in such form as the chief administrator prescribes, license any proper person as such dealer or leasing dealer. A licensed real estate broker shall be entitled to act as an agent or broker in the sale of a mobile or manufactured home as defined in subsection a. of this section without obtaining a license from the chief administrator. For the purposes of this chapter, a "licensed real estate broker" means a real estate broker licensed by the New Jersey Real Estate Commission pursuant to the provisions of chapter 15 of Title 45 of the Revised Statutes. Any sale or transfer of a mobile or manufactured home, in which a licensed real estate broker acts as a broker or agent pursuant to this section, which sale or transfer is subject to any other requirements of R.S.39:10-1 et seq., shall comply with all of those requirements. No person who has been convicted of a crime, arising out of fraud or misrepresentation in the sale, leasing or financing of a motor vehicle, shall be eligible to receive a license. For the purposes of this section, each applicant for a license shall submit to the chief administrator the applicant's name, address, fingerprints, and written consent for a criminal history record background



check to be performed. The chief administrator is hereby authorized to exchange fingerprint data with and receive criminal history record information from the State Bureau of Identification in the Division of State Police and the Federal Bureau of Investigation consistent with applicable State and federal laws, rules, and regulations, for purposes of facilitating determinations concerning licensure eligibility. The applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check. The Division of State Police shall promptly notify the chief administrator in the event a current holder of a license or prospective applicant, who was the subject of a criminal history record background check pursuant to this section, is arrested for a crime or offense in this State after the date the background check was performed. Each applicant for a license shall at the time such license is issued have established and maintained, or by that application shall agree to establish and maintain, within 90 days after the issuance thereof, a place of business consisting of a permanent building not less than 1,000 square feet in floor space located in the State of New Jersey to be used principally for the servicing and display of motor vehicles with such equipment installed therein as shall be requisite for the servicing of motor vehicles in such manner as to make them comply with the laws of this State and with any rules and regulations made by the board governing the equipment, use, and operation of motor vehicles within the State. However, a leasing dealer, who is not engaged in the business of buying, selling, or dealing in motor vehicles in the State, shall not be required to maintain a place of business with floor space available for the servicing or display of motor vehicles or to have an exterior sign at the lessor's place of business. A license fee of \$200 shall be paid by an applicant upon the applicant's initial application for a license. The chief administrator may renew an applicant's license upon application for renewal on a form prescribed by the chief administrator and accompanied by a renewal fee of \$200. Every license shall expire 24 months from the date on which it is issued. The chief administrator may, at the chief administrator's discretion and for good cause shown, extend an applicant's license for an additional period not to exceed 12 months from the date on which it is scheduled to expire. The chief administrator may, at the chief administrator's discretion and for good cause shown, issue a license which shall expire on a date fixed by the chief administrator. The fee for licenses with an expiration date fixed by the chief administrator shall be fixed by the chief administrator in an amount proportionately less or greater than the fee established herein.

For the purposes of this section, a leasing dealer or an assignee of a leasing dealer whose leasing activities are limited to buying motor vehicles for the purpose of leasing them and selling motor vehicles at the termination of a lease shall not be deemed to be engaged in the business of buying, selling, or dealing in motor vehicles in this State.

25. Section 1 of P.L.2005, c.351 (C.39:10-19.1) is amended to read as follows:

C.39:10-19.1 Definitions relative to off-site sale of certain motor vehicles.

1. As used in this act:

"Off-site sale" means the display and sale of new or used recreational vehicles by a recreational vehicle dealer, or used motor vehicles registered in New Jersey by a used motor vehicle dealer, licensed under the provisions of R.S.39:10-19, at a location other than the dealer's established place of business. An "off-site sale" includes any off-site display of vehicles at which a recreational vehicle or used motor vehicle dealer has a sales person or employee present. For the purposes of this act, "off-site sale" does not include:

a. An off-site display of vehicles at which a recreational vehicle or used motor vehicle dealer has no sales personnel present;

b. The sale of a vehicle at an auction at which only wholesale purchases are permitted;  
or

c. The use of telephones, telephone call-forwarding, email, internet websites or other internet communications which allow a licensed dealer or dealership employee to communicate with customers while either the customer or the dealer or employee thereof is not present at the licensed physical location of the dealership, provided the contract for the sale of a vehicle is finalized and the sale transaction completed at the licensed location.

"Sponsoring organization" means:

a. a credit union, automobile club, or other such not for profit organization or entity that makes the opportunity to attend and purchase a motor vehicle at an off-site sale available to its members; or

b. a trade show coordinator, or other such organization, entity, or individual that makes the opportunity to attend and purchase a recreational vehicle at an off-site sale available to ticketed individuals.

26. R.S.39:10-20 is amended to read as follows:

Fine, suspension, revocation of license; rules, regulations.

39:10-20. The chief administrator may impose a fine not to exceed \$500 for a first offense and \$1,000 for any subsequent offense upon the holder of a license for a violation of any provision of this chapter. The board is authorized to adopt rules and regulations, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), implementing the provisions of this chapter and authorizing the chief administrator to impose fines for the violation of these rules and regulations. The chief administrator may suspend for a period less than the unexpired term of a license or revoke a license, after hearing, for a violation of any provision of this chapter, or for a violation of the rules and regulations promulgated pursuant thereto, or upon the final conviction of the licensee of a crime, arising out of fraud or misrepresentation in the sale, leasing or financing of a motor vehicle, or upon proof of the failure of a licensee to make payment of the amount of any final judgment, rendered by a court of competent jurisdiction against such licensee and founded upon a claim arising out of fraud or misrepresentation in the sale or leasing of a motor vehicle, within 90 days after the same is finally entered, or for final conviction of the licensee for violating any provision of chapter 171 of Title 2A or of any supplement thereof (Observance of Sabbath Days). The clerk of the court in which any conviction is rendered, or the court where it has no clerk, shall forward to the chief administrator, immediately upon the entry thereof, a certified copy of the conviction or a transcript thereof. The clerk of the court in which any judgment founded upon fraud or misrepresentation is rendered, or the court where it has no clerk, shall forward to the chief administrator, immediately after the expiration of the 90 days, a certified copy of the judgment, or a transcript thereof, showing it to have been unsatisfied more than 90 days after it became final. The chief administrator shall, before suspending or revoking the license, and at least 10 days prior to the date set for the hearing, notify the holder of the license, in writing, of any charges made, and shall afford him an opportunity to be heard in person or by counsel. The written notice may be served either personally or by registered mail addressed to the last-known address of the licensee. The chief administrator may subpoena and bring before the chief administrator any person in this State, or take testimony by deposition, in the same manner as prescribed by law in judicial

proceedings in the courts of this State, and shall also issue and deliver to the dealer such subpoenas as are requested by the chief administrator. The Appellate Division of the Superior Court shall have power to review, by an appeal in lieu of prerogative writ taken by an aggrieved person, a final determination of the chief administrator.

Any fine imposed and collected pursuant to this section shall be remitted to the commission and used to defray the costs of the commission.

27. R.S.39:10-22 is amended to read as follows:

Forms; seizure of papers; dealer to keep, store all forms, papers, records.

39:10-22. The chief administrator may prepare and prescribe any or all forms necessary for the proper administration of this chapter. The chief administrator or his agent may seize and take possession of any certificate of ownership or other title papers to which the chief administrator may be entitled, for which a person is under duty to return to the chief administrator, from any person or place in this State, with all the rights, privileges and immunities conferred by law on an officer executing a writ of replevin.

A licensed dealer shall keep and store all required forms, papers, and records as the Motor Vehicle Commission may by regulation require at the licensed premises. In the event a licensee operates multiple licensed dealerships under common ownership or control, such forms, papers, and records may be stored at a centralized record-keeping facility.

28. Sections 1 through 18, 20, 21, 22, 23, 25, 26, 27 and this section of this act shall take effect on the 30th day after the date of enactment, and the remainder of the act shall take effect on the 180th day after the date of enactment, but the commission may take such anticipatory administrative action in advance as shall be necessary for the implementation of this act.

Approved January 13, 2008.