## SENATE, No. 4084

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED NOVEMBER 27, 2023

Sponsored by:<br>Senator M. TERESA RUIZ<br>District 29 (Essex)<br>Senator NILSA I. CRUZ-PEREZ<br>District 5 (Camden and Gloucester)

## SYNOPSIS

Concerns temporary registration certificates and license plates.

## CURRENT VERSION OF TEXT

As introduced.


> AN ACT concerning temporary registration certificates and license plates, amending P.L.1969, c. 301 and supplementing Title 2C of the New Jersey Statutes.

Be It Enacted by the Senate and General Assembly of the State of New Jersey:

1. Section 1 of P.L.1969, c. 301 (C.39:3-4b) is amended to read as follows:
2. Any nonresident purchasing an automobile from a licensed dealer in New Jersey which is to be principally garaged, registered, and titled in another state, a federal district, or Canada, may register the automobile in New Jersey on a temporary basis.

A temporary registration shall be made in the following manner: An application in writing, signed by the applicant or by an agent or officer in case the applicant is a corporation, shall be made to the chief administrator or the chief administrator's lawful agent, on forms prepared and supplied by the chief administrator, containing the name, address, and age of the owner, together with a description of the character of the automobile, including the name of the maker and the manufacturer's number or the motor number, or both, and any other statement that may be required by the chief administrator. A temporary registration certificate shall not be issued unless the 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.), or the corresponding financial responsibility laws of the jurisdiction in which the vehicle is to be titled and registered.

In the event that the insurance is terminated, the insurer shall notify the chief administrator within 30 days, following the termination.

Thereupon the chief administrator or licensed dealer shall have the power to grant a temporary registration certificate and temporary license plates to the owner of any automobile, if over 17 years of age, either directly or through any licensed motor vehicle dealer who is not within the geographical district, application for the temporary registration having been properly made and the required fee paid, and the vehicle being of a type that complies with the requirements of this subtitle. The form and contents of the temporary registration certificate to be issued shall be prescribed by the chief administrator. The chief administrator shall maintain a record of all temporary registration certificates issued, and of the contents thereof.

Every temporary registration shall expire and the certificate thereof shall become void on the 30th day following the date on

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.
which the certificate was issued; no temporary registration shall be renewed, except as a permanent registration pursuant to R.S.39:3-4, and after payment of the fees prescribed therein, or as a second temporary registration certificate issued pursuant to section 2 of P.L. 1969, c. 301 (C.39:3-4c). Each licensed dealer shall remit upon issuance of a second temporary registration certificate the amount due to the New Jersey Motor Vehicle Commission.

The chief administrator shall issue temporary registration certificates for the 30-day registration period, which shall be effective immediately.
[Any person violating the provisions of this section shall be subject to a fine not exceeding $\$ 100$ ] Upon finding that any member, officer, agent, employee, or other representative of a licensed dealer has violated the provisions of this section or the provisions of any rule or regulation prescribed by the chief administrator related to the issuance of temporary registration certificates or license plates, the chief administrator shall impose a fine against the licensed dealer in the amount of $\$ 2,500$ for a first offense and $\$ 5,000$ for any subsequent offense, except that for the misstatement of any fact in the application required to be made by the chief administrator, the person making the misstatement shall be subject to the penalties provided in R.S.39:3-37. The chief administrator may suspend or revoke the dealer license of a dealer convicted of a violation of section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill) or for any subsequent violation of the provisions of this section or the provisions of any rule or regulation prescribed by the chief administrator related to the issuance of temporary registration certificates or license plates. Each temporary registration certificate or license plate issued in violation of the provisions of this section shall constitute a separate offense. (cf: P.L.2017, c.352, s.1)
2. Section 2 of P.L.1969, c. 301 (C.39:3-4c) is amended to read as follows:
2. a. The chief administrator may prescribe rules and regulations governing the issuance of temporary registration certificates and temporary license plates by motor vehicle dealers, motorized bicycle dealers, and the New Jersey 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].
b. A licensed dealer may print one temporary license plate per bona fide sale of a motor vehicle in accordance with subsection c . of this section.
c. A licensed dealer shall print every temporary license plate on reflective paper that utilizes enhanced security features for the purpose of preventing forgery or duplication of the temporary license plate, as established by the chief administrator.

In addition to any other information required by the chief administrator, for every temporary license plate printed by the licensed dealer, the licensed dealer shall provide the chief administrator with the following information, in the form of unredacted, uploaded documents:
(1) a copy of the front and back of the driver's license of the purchaser of the motor vehicle;
(2) a copy of the title or manufacturer's certificate of origin showing the make, model, and vehicle identification number of the motor vehicle sold to the purchaser of the motor vehicle;
(3) proof of a bona fide sale to include, but not limited to, a copy of the executed bill of sale;
(4) a copy of proof of insurance coverage for the motor vehicle sold to the purchaser; and
(5) the static IP address of the printer used to print out the temporary license plate.
d. A temporary registration certificate and license plate shall only be issued for a motor vehicle listed in the issuing dealer's vehicle registry.
e. 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 the dealer's privilege or franchise from issuing temporary registration certificates and license plates or, upon a finding that any abuse has been practiced by any member, officer, agent, employee, or other representative of the licensed dealer, the chief administrator shall have the right to permanently prohibit that member, officer, agent, employee, or other representative from obtaining a position as an owner, officer or director, or employee at another licensed dealership.

Upon a finding that a licensed dealer has violated the provisions of this section or the provisions of any rule or regulation prescribed by the chief administrator related to the issuance of temporary registration certificates or license plates, the chief administrator shall impose a fine of $\$ 2,500$ for a first offense and $\$ 5,000$ for any subsequent offense upon a licensed dealer. In addition to any fines or penalties imposed under this section, the chief administrator may suspend or revoke the dealer license of a dealer convicted of a violation of section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill) or for any subsequent violation of the provisions of this section or the provisions of any rule or regulation prescribed by the chief administrator related to the issuance of temporary registration certificates or license plates. Each temporary registration certificate or license plate issued in violation of the provisions of this section shall constitute a separate offense.
f. Temporary registration certificates for vehicles to be permanently registered in New Jersey or any other jurisdiction 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 any second temporary registration certificate issued and shall pay an enhanced fee to be determined by the chief administrator for each second temporary 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 New Jersey Motor Vehicle Commission.
g. No temporary registration certificate shall be issued by a licensed dealer [hereunder] unless the licensed dealer has confirmed that the vehicle for which the temporary registration is to be issued is covered by a policy of insurance 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 covering the vehicle or which would provide coverage for the purchaser while operating the vehicle or by 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.
h. 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 authorized employee in issuing temporary registrations, whether the particular unlawful acts were authorized or unauthorized.
i. Every applicant for a motor vehicle dealer license who intends to issue temporary registration certificates and temporary license plates shall include with the dealer license application a separate application to issue temporary registration certificates and temporary license plates. The application for approval to issue temporary registration certificates and temporary license plates shall be made in a form determined by the chief administrator. The application for approval to issue temporary registration certificates and temporary license plates shall include, but is not limited to, the following:
(1) the name and business address of the applicant;
(2) proof of a current and valid dealer license;
(3) proof of a secure storage and printing area for the temporary registration certificates and temporary license plates;
(4) certification of completion of a training course approved by the chief administrator for the issuance of temporary registration certificates and temporary license plates; and
(5) the application fee, as determined by the chief administrator.
j. A licensed dealer shall keep detailed records of every
temporary registration certificate and temporary license plate issued
by the dealer for three years in a manner prescribed by the chief administrator. All records kept pursuant to the provisions of this subsection shall be open to inspection by the Motor Vehicle Commission at any reasonable time.

As used in this section:
"Bona fide sale" means a sale for valuable consideration made in good faith and without the purpose of circumventing any law, rule, or regulation.
"Certificate of ownership" means the document certifying ownership of a motor vehicle, other than the manufacturer's or importer's certificate of origin.
"Manufacturer's or importer's certificate of origin" means the original written instrument or document required to be executed and delivered by the manufacturer to the agent or a dealer, certifying the origin of the vehicle.
"Motor vehicle title" means a title issued that documents ownership of a vehicle and can be used to transfer ownership.
"Vehicle Registry" means a listing of motor vehicles owned by the licensed dealer containing information about each motor vehicle as required by the Chief Administrator of the New Jersey Motor Vehicle Commission.
(cf: P.L.2017, c.352, s.2)
3. (New section) a. Any person who knowingly produces, sells, offers, or exposes for sale a temporary registration certificate or temporary license plate obtained by providing false information to the Chief Administrator of the New Jersey Motor Vehicle Commission is guilty of a crime of the fourth degree.
b. Any person who exhibits or displays on a motor vehicle a temporary registration certificate or temporary license plate, knowing that the temporary registration certificate or temporary license plate was obtained by providing false information to the Chief Administrator of the New Jersey Motor Vehicle Commission, is guilty of a disorderly persons offense.
c. Any person who possesses a temporary registration certificate or temporary license plate, knowing that the temporary registration certificate or temporary license plate was obtained by providing false information to the Chief Administrator of the New Jersey Motor Vehicle Commission, is guilty of a petty disorderly persons offense.
d. Any person who knowingly produces, sells, offers, or exposes for sale a forged, altered, counterfeited, or simulated temporary registration certificate or temporary license plate that simulates a temporary registration certificate or license plate is guilty of a crime of the fourth degree.
e. Any person who exhibits or displays on a motor vehicle a falsely made, forged, altered, counterfeited, or simulated temporary registration certificate or temporary license plate, knowing that the
temporary registration certificate or temporary license plate was falsely made, forged, altered, counterfeited or simulated, is guilty of a disorderly persons offense.
f. Any person who possesses a falsely made, forged, altered, counterfeited, or simulated temporary registration certificate or temporary license plate, knowing that the temporary registration certificate or temporary license plate was falsely made, forged, altered, counterfeited, or simulated, is guilty of a petty disorderly persons offense.
g. Nothing in this section shall be construed to preclude or limit the prosecution or conviction of any person for any other crime or offense.

## 4. This act shall take effect immediately.

## STATEMENT

This bill establishes an application process and certain security procedures for licensed motor vehicle dealers seeking to provide temporary license plates to buyers.

Under the bill, a licensed motor vehicle dealer is required to apply to the Chief Administrator of the New Jersey Motor Vehicle Commission (MVC) before the dealer is able to issue temporary registration certificates and temporary license plates. The application is to include the dealer's name and business address, proof of a valid dealer license, a demonstration of a secure storage and printing area, the completion of an approved training course, and the application fee.

The bill requires that for each temporary license plate requested from MVC, in addition to any information required by the chief administrator, the dealer is to provide a copy of the front and back of the purchaser's driver's license, a copy of the title or manufacturer's certificate of origin showing make, model, and the vehicle identification number of the motor vehicle sold to the purchaser, proof of a bona fide sale to include, but not limited to, a copy of the executed bill of sale, a copy of the proof of insurance coverage for the motor vehicle sold to the purchaser, and the static IP address of the printer used to print out the temporary license plate.

The bill requires licensed motor vehicle dealers to print temporary license plates on reflective paper that utilizes enhanced security features, as established by the chief administrator, for the purpose of preventing forgery or duplication.

The bill increases penalties for licensed motor vehicle dealers who violate the provisions of the bill or the provisions of any rule or regulation prescribed by the chief administrator related to the issuance of temporary license plates and temporary registration
certificates. Under the bill, a violator would be liable to a penalty of $\$ 2,500$ for a first offense and $\$ 5,000$ for any subsequent offense. Each temporary license plate issued in violation of this bill is to constitute a separate offense. The bill grants the chief administrator the discretion to permanently prohibit any member, officer, agent, employee, or other representative of a licensed dealer who violates the provisions of this bill from obtaining a position as an owner, officer or director, or employee at another licensed dealership.

In addition, this bill establishes: 1) a crime of the fourth degree for any person who knowingly produces, sells, offers, or exposes for sale a temporary license plate or temporary registration certificate obtained by providing false information to the chief administrator; 2) a disorderly persons offense for any person who knowingly exhibits or displays or produces a temporary license plate or temporary registration certificate obtained by providing false information; 3) a petty disorderly persons offense for any person possessing a temporary license plate or temporary registration certificate obtained by providing false information; 4) a crime of the fourth degree for any person who knowingly produces, sells, offers, or exposes for sale a forged, altered, counterfeited, or simulated temporary registration certificate or temporary license plate; 5) a disorderly persons offense for any person who exhibits or displays on a motor vehicle a falsely made, forged, altered, counterfeited or simulated temporary registration certificate or temporary license plate, knowing that the temporary registration certificate or temporary license plate was falsely made, forged, altered, counterfeited or simulated; and 6) a petty disorderly persons offense for any person who possesses a falsely made, forged, altered, counterfeited, or simulated temporary registration certificate or temporary license plate, knowing that the temporary registration certificate or temporary license plate was falsely made, forged, altered, counterfeited, or simulated.

A fourth-degree crime is punishable by up to 18 months imprisonment, a fine of up to $\$ 10,000$, or both. A disorderly persons offense is punishable by up to six months imprisonment, a fine of up to $\$ 1,000$, or both. A petty disorderly persons offense is punishable by up to 30 days imprisonment, a fine of up to $\$ 500$, or both.

Under the bill, the chief administrator may suspend or revoke the dealer license of a dealer who commits multiple violations of the provisions of this bill or who is convicted of a criminal violation of the provisions of this bill.

