SENATE, No. 4084 STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED NOVEMBER 27, 2023

Sponsored by: Senator M. TERESA RUIZ District 29 (Essex) Senator NILSA I. CRUZ-PEREZ 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.

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

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8 1. Section 1 of P.L.1969, c.301 (C.39:3-4b) is amended to read9 as follows:

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.

14 A temporary registration shall be made in the following manner: 15 An application in writing, signed by the applicant or by an agent or 16 officer in case the applicant is a corporation, shall be made to the 17 chief administrator or the chief administrator's lawful agent, on 18 forms prepared and supplied by the chief administrator, containing the name, address, and age of the owner, together with a description 19 20 of the character of the automobile, including the name of the maker 21 and the manufacturer's number or the motor number, or both, and 22 any other statement that may be required by the chief administrator. 23 A temporary registration certificate shall not be issued unless the 24 licensed dealer has confirmed that the vehicle for which the 25 temporary registration is to be issued is insured in accordance with 26 the requirements of the "Motor Vehicle Security-Responsibility 27 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 28 29 is to be titled and registered.

30 In the event that the insurance is terminated, the insurer shall 31 notify the chief administrator within 30 days, following the 32 termination.

33 Thereupon the chief administrator or licensed dealer shall have 34 the power to grant a temporary registration certificate and temporary license plates to the owner of any automobile, if over 17 35 years of age, either directly or through any licensed motor vehicle 36 37 dealer who is not within the geographical district, application for 38 the temporary registration having been properly made and the 39 required fee paid, and the vehicle being of a type that complies with 40 the requirements of this subtitle. The form and contents of the temporary registration certificate to be issued shall be prescribed by 41 the chief administrator. The chief administrator shall maintain a 42 record of all temporary registration certificates issued, and of the 43 44 contents thereof.

45 Every temporary registration shall expire and the certificate 46 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.

Matter underlined thus is new matter.

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.

8 The chief administrator shall issue temporary registration 9 certificates for the 30-day registration period, which shall be 10 effective immediately.

11 [Any person violating the provisions of this section shall be 12 subject to a fine not exceeding \$100] Upon finding that any member, 13 officer, agent, employee, or other representative of a licensed dealer has violated the provisions of this section or the provisions of any rule 14 15 or regulation prescribed by the chief administrator related to the 16 issuance of temporary registration certificates or license plates, the 17 chief administrator shall impose a fine against the licensed dealer in 18 the amount of \$2,500 for a first offense and \$5,000 for any subsequent 19 offense, except that for the misstatement of any fact in the application 20 required to be made by the chief administrator, the person making the 21 misstatement shall be subject to the penalties provided in R.S.39:3-37. 22 The chief administrator may suspend or revoke the dealer license of a 23 dealer convicted of a violation of section 3 of P.L., c. (C.) 24 (pending before the Legislature as this bill) or for any subsequent 25 violation of the provisions of this section or the provisions of any rule or regulation prescribed by the chief administrator related to the 26 27 issuance of temporary registration certificates or license plates. Each temporary registration certificate or license plate issued in violation 28 29 of the provisions of this section shall constitute a separate offense. 30 (cf: P.L.2017, c.352, s.1)

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32 2. Section 2 of P.L.1969, c.301 (C.39:3-4c) is amended to read 33 as follows:

2. <u>a.</u> The chief administrator may prescribe rules and regulations governing the issuance of temporary registration certificates and temporary <u>license</u> 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].

41 b. A licensed dealer may print one temporary license plate per
42 bona fide sale of a motor vehicle in accordance with subsection c.
43 of this section.

44 c. A licensed dealer shall print every temporary license plate

45 <u>on reflective paper that utilizes enhanced security features for the</u>

46 purpose of preventing forgery or duplication of the temporary

47 <u>license plate, as established by the chief administrator.</u>

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1 In addition to any other information required by the chief 2 administrator, for every temporary license plate printed by the 3 licensed dealer, the licensed dealer shall provide the chief administrator with the following information, in the form of 4 5 unredacted, uploaded documents: (1) a copy of the front and back of the driver's license of the 6 7 purchaser of the motor vehicle; 8 (2) a copy of the title or manufacturer's certificate of origin 9 showing the make, model, and vehicle identification number of the 10 motor vehicle sold to the purchaser of the motor vehicle; 11 (3) proof of a bona fide sale to include, but not limited to, a 12 copy of the executed bill of sale; (4) a copy of proof of insurance coverage for the motor vehicle 13 14 sold to the purchaser; and 15 (5) the static IP address of the printer used to print out the 16 temporary license plate. 17 d. A temporary registration certificate and license plate shall 18 only be issued for a motor vehicle listed in the issuing dealer's 19 vehicle registry. 20 e. Upon a finding that any abuse has been practiced [by any 21 licensed motor vehicle or motorized bicycle dealer], the chief 22 administrator shall have the right to suspend the dealer's privilege 23 or franchise from issuing temporary registration certificates and 24 license plates or, upon a finding that any abuse has been practiced 25 by any member, officer, agent, employee, or other representative of 26 the licensed dealer, the chief administrator shall have the right to 27 permanently prohibit that member, officer, agent, employee, or 28 other representative from obtaining a position as an owner, officer 29 or director, or employee at another licensed dealership. 30 Upon a finding that a licensed dealer has violated the provisions 31 of this section or the provisions of any rule or regulation prescribed 32 by the chief administrator related to the issuance of temporary 33 registration certificates or license plates, the chief administrator 34 shall impose a fine of \$2,500 for a first offense and \$5,000 for any 35 subsequent offense upon a licensed dealer. In addition to any fines 36 or penalties imposed under this section, the chief administrator may 37 suspend or revoke the dealer license of a dealer convicted of a violation of section 3 of P.L., c. (C.) (pending before the 38 39 Legislature as this bill) or for any subsequent violation of the 40 provisions of this section or the provisions of any rule or regulation 41 prescribed by the chief administrator related to the issuance of 42 temporary registration certificates or license plates. Each temporary registration certificate or license plate issued in violation 43 44 of the provisions of this section shall constitute a separate offense. 45 Temporary registration certificates for vehicles to be f. 46 permanently registered in New Jersey or any other jurisdiction shall 47 be valid for a period of 30 days. In the event permanent registration 48 has been delayed by reason of a lost title certificate or failure of a

1 lien holder to timely turn over a certificate of title, a second 2 temporary registration certificate may be issued. A licensed motor 3 vehicle or motorized bicycle dealer shall make a record in the form 4 and manner prescribed by the chief administrator for any second 5 temporary registration certificate issued and shall pay an enhanced fee to be determined by the chief administrator for each second 6 7 temporary registration issued. Each licensed motor vehicle or 8 motorized bicycle dealer shall annually determine the fees to be 9 paid pursuant to this section and shall remit annually under 10 certification the amount due to the New Jersey Motor Vehicle 11 Commission.

12 g. No temporary registration certificate shall be issued by a 13 licensed dealer [hereunder] unless the licensed dealer has 14 confirmed that the vehicle for which the temporary registration is to 15 be issued is covered by a policy of insurance in accordance with the 16 requirements of the "Motor Vehicle Security-Responsibility Law," 17 P.L.1952, c.173 (C.39:6-23 et seq.), whether by a policy in the 18 name of the purchaser covering the vehicle or which would provide 19 coverage for the purchaser while operating the vehicle or by an 20 endorsement to a policy in the name of the licensed dealer; 21 provided, however, no permanent registration shall be issued unless 22 a policy in the name of the purchaser or someone in the purchaser's 23 household is confirmed.

<u>h.</u> 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.

29 i. Every applicant for a motor vehicle dealer license who 30 intends to issue temporary registration certificates and temporary 31 license plates shall include with the dealer license application a 32 separate application to issue temporary registration certificates and 33 temporary license plates. The application for approval to issue 34 temporary registration certificates and temporary license plates shall be made in a form determined by the chief administrator. The 35 36 application for approval to issue temporary registration certificates 37 and temporary license plates shall include, but is not limited to, the 38 following: 39 (1) the name and business address of the applicant;

40 (2) proof of a current and valid dealer license;

41 (3) proof of a secure storage and printing area for the temporary
 42 registration certificates and temporary license plates;

43 (4) certification of completion of a training course approved by
 44 the chief administrator for the issuance of temporary registration
 45 certificates and temporary license plates; and

46 (5) the application fee, as determined by the chief administrator.

47 j. A licensed dealer shall keep detailed records of every
 48 temporary registration certificate and temporary license plate issued

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1 by the dealer for three years in a manner prescribed by the chief 2 administrator. All records kept pursuant to the provisions of this 3 subsection shall be open to inspection by the Motor Vehicle Commission at any reasonable time. 4 5 As used in this section: 6 "Bona fide sale" means a sale for valuable consideration made in 7 good faith and without the purpose of circumventing any law, rule, 8 or regulation. 9 "Certificate of ownership" means the document certifying 10 ownership of a motor vehicle, other than the manufacturer's or 11 importer's certificate of origin. 12 "Manufacturer's or importer's certificate of origin" means the 13 original written instrument or document required to be executed and delivered by the manufacturer to the agent or a dealer, certifying the 14 15 origin of the vehicle. 16 "Motor vehicle title" means a title issued that documents 17 ownership of a vehicle and can be used to transfer ownership. 18 "Vehicle Registry" means a listing of motor vehicles owned by 19 the licensed dealer containing information about each motor vehicle 20 as required by the Chief Administrator of the New Jersey Motor 21 Vehicle Commission. 22 (cf: P.L.2017, c.352, s.2) 23 24 3. (New section) a. Any person who knowingly produces, 25 sells, offers, or exposes for sale a temporary registration certificate 26 or temporary license plate obtained by providing false information 27 to the Chief Administrator of the New Jersey Motor Vehicle 28 Commission is guilty of a crime of the fourth degree. 29 b. Any person who exhibits or displays on a motor vehicle a 30 temporary registration certificate or temporary license plate, 31 knowing that the temporary registration certificate or temporary 32 license plate was obtained by providing false information to the 33 Chief Administrator of the New Jersey Motor Vehicle Commission, 34 is guilty of a disorderly persons offense. 35 c. Any person who possesses a temporary registration 36 certificate or temporary license plate, knowing that the temporary 37 registration certificate or temporary license plate was obtained by 38 providing false information to the Chief Administrator of the New 39 Jersey Motor Vehicle Commission, is guilty of a petty disorderly 40 persons offense. 41 d. Any person who knowingly produces, sells, offers, or exposes for sale a forged, altered, counterfeited, or simulated 42 43 temporary registration certificate or temporary license plate that 44 simulates a temporary registration certificate or license plate is 45 guilty of a crime of the fourth degree. 46 e. Any person who exhibits or displays on a motor vehicle a 47 falsely made, forged, altered, counterfeited, or simulated temporary 48 registration certificate or temporary license plate, knowing that the

1 temporary registration certificate or temporary license plate was 2 falsely made, forged, altered, counterfeited or simulated, is guilty of 3 a disorderly persons offense. 4 Any person who possesses a falsely made, forged, altered, f. 5 counterfeited, or simulated temporary registration certificate or 6 temporary license plate, knowing that the temporary registration 7 certificate or temporary license plate was falsely made, forged, 8 altered, counterfeited, or simulated, is guilty of a petty disorderly 9 persons offense. 10 g. Nothing in this section shall be construed to preclude or 11 limit the prosecution or conviction of any person for any other 12 crime or offense. 13 4. This act shall take effect immediately. 14 15 16 17 **STATEMENT** 18 19 This bill establishes an application process and certain security 20 procedures for licensed motor vehicle dealers seeking to provide 21 temporary license plates to buyers. 22 Under the bill, a licensed motor vehicle dealer is required to 23 apply to the Chief Administrator of the New Jersey Motor Vehicle 24 Commission (MVC) before the dealer is able to issue temporary 25 registration certificates and temporary license plates. The 26 application is to include the dealer's name and business address, 27 proof of a valid dealer license, a demonstration of a secure storage and printing area, the completion of an approved training course, 28 29 and the application fee. 30 The bill requires that for each temporary license plate requested 31 from MVC, in addition to any information required by the chief 32 administrator, the dealer is to provide a copy of the front and back 33 of the purchaser's driver's license, a copy of the title or 34 manufacturer's certificate of origin showing make, model, and the 35 vehicle identification number of the motor vehicle sold to the purchaser, proof of a bona fide sale to include, but not limited to, a 36 37 copy of the executed bill of sale, a copy of the proof of insurance 38 coverage for the motor vehicle sold to the purchaser, and the static 39 IP address of the printer used to print out the temporary license 40 plate. The bill requires licensed motor vehicle dealers to print 41 temporary license plates on reflective paper that utilizes enhanced 42 security features, as established by the chief administrator, for the 43 44 purpose of preventing forgery or duplication. 45 The bill increases penalties for licensed motor vehicle dealers 46 who violate the provisions of the bill or the provisions of any rule 47 or regulation prescribed by the chief administrator related to the 48 issuance of temporary license plates and temporary registration

1 certificates. Under the bill, a violator would be liable to a penalty 2 of \$2,500 for a first offense and \$5,000 for any subsequent offense. 3 Each temporary license plate issued in violation of this bill is to 4 constitute a separate offense. The bill grants the chief administrator 5 the discretion to permanently prohibit any member, officer, agent, 6 employee, or other representative of a licensed dealer who violates 7 the provisions of this bill from obtaining a position as an owner, 8 officer or director, or employee at another licensed dealership.

9 In addition, this bill establishes: 1) a crime of the fourth degree 10 for any person who knowingly produces, sells, offers, or exposes 11 for sale a temporary license plate or temporary registration 12 certificate obtained by providing false information to the chief administrator; 2) a disorderly persons offense for any person who 13 14 knowingly exhibits or displays or produces a temporary license 15 plate or temporary registration certificate obtained by providing 16 false information; 3) a petty disorderly persons offense for any 17 person possessing a temporary license plate or temporary 18 registration certificate obtained by providing false information; 4) a 19 crime of the fourth degree for any person who knowingly produces, 20 sells, offers, or exposes for sale a forged, altered, counterfeited, or 21 simulated temporary registration certificate or temporary license 22 plate; 5) a disorderly persons offense for any person who exhibits or 23 displays on a motor vehicle a falsely made, forged, altered, 24 counterfeited or simulated temporary registration certificate or 25 temporary license plate, knowing that the temporary registration 26 certificate or temporary license plate was falsely made, forged, 27 altered, counterfeited or simulated; and 6) a petty disorderly persons 28 offense for any person who possesses a falsely made, forged, 29 counterfeited, or simulated temporary registration altered, 30 certificate or temporary license plate, knowing that the temporary 31 registration certificate or temporary license plate was falsely made, 32 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.