

39:10-1 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: 39:10-1 et al

(Motor vehicles-- manufacturers--  
certificates of origin)

LAWS OF: 1946

CHAPTER: 136

Bill No: S216

Sponsor(s): Farley

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SENATE, No. 216

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 11, 1946

By Mr. FARLEY

Referred to Committee on Judiciary

AN ACT concerning the purchase, sale and transfer of motor vehicles, and amending sections 39:10-1, 39:10-2, 39:10-6, 39:10-8, 39:10-9, 39:10-10, 39:10-11, 39:10-12, 39:10-13, 39:10-14, 39:10-15, 39:10-16, 39:10-18, 39:10-19, 39:10-20, 39:10-21, 39:10-22, 39:10-23, 39:10-24, and 39:10-25, and repealing section 39:10-17 of the Revised Statutes.

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

1 1. Section 39:10-1 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-1. This chapter may be known and cited as the "motor vehicle  
4 certificate of ownership law."

1 2. Section 39:10-2 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-2. As used in this chapter unless other meaning is clearly ap-  
4 parent from the language or context, or unless inconsistent with the mani-  
5 fest intention of the Legislature:

6 "New motor vehicle" means only a newly manufactured motor vehicle,  
7 and includes all such vehicles propelled otherwise than by muscular power,  
8 and motor cycles, trailers and tractors, excepting such vehicles as run only  
9 upon rails or tracks.

10 "Used motor vehicle" means every motor vehicle, title to, or possession  
11 of, which has been transferred from the person who first acquired it from  
12 the manufacturer or dealer, and so used as to become what is commonly  
13 known as "secondhand" within the ordinary meaning thereof, and includes  
14 every motor vehicle other than a "new motor vehicle."

15 "Any motor vehicle," "every motor vehicle," or similar term, means  
16 19 both new and used motor vehicles.

20 "Manufacturer's or importer's certificate of origin" means the original  
21 written instrument or document required to be executed and delivered by the  
22 manufacturer to his agent or a dealer, or a person purchasing direct from  
23-25 the manufacturer, certifying the origin of the vehicle.

26 "Certificate of ownership" means the document issued in conformance  
27 with this chapter, certifying ownership of a motor vehicle, other than manu-  
28-30 facturer's or importer's certificate of origin.

31 "Assignment" means the execution of a prescribed form transferring  
32 ownership of a motor vehicle from the person named therein to the purchaser.

33 "Contract" means conditional sale agreement, bailment, lease, chattel  
34 mortgage, trust receipt or any other form of security or possession agree-  
35 ment, wherein and whereby possession of a motor vehicle is delivered to the  
36 buyer and title therein is to vest in the buyer at a subsequent time upon the  
37 payment of part or all of the price, or upon the performance of any other  
38 condition or happening of any contingency, or upon the payment of a sum  
39 substantially equivalent to the value of the motor vehicle, by which contract  
40 it is agreed that the buyer is bound to become, or has the option of becoming,  
41 the owner of the motor vehicle upon full compliance with the terms of the con-  
42 tract.

43-48 "Abstract of contract" means the duplicate copy of the original cer-  
49 tificate of ownership recording any encumbrance.

50 "Title papers" means any instrument or document that is evidence of  
51 ownership of a vehicle.

52 "Commissioner" means the Commissioner of Motor Vehicles, his deputy  
53 or duly authorized agent.

54 "Manufacturer" means the person who originally manufactured the  
55 motor vehicle.

56 "Dealer" means the agent, distributor or authorized dealer of the man-  
57 ufacturer of the new motor vehicle, and who has an established place of busi-  
58 ness.

59 "Used motor vehicle dealer" means a person engaged in the business of  
60 selling, buying or dealing in used motor vehicles, and who has an established  
61 place of business.

62 "Person" includes natural persons, firms or copartnerships, corpora-  
63 tions, associations, or other artificial bodies, receivers, trustees, common law  
64 or statutory assignees, executors, administrators, sheriffs, constables, mar-  
65 shals, or other persons in representative or official capacity, and members,  
66 officers, agents, employees, or other representatives of those hereinbefore  
67 enumerated.

68 "Buyer" includes purchaser, conditional vendee, lessee, bailee, trans-  
69 feree, chattel mortgagor, and any person buying, attempting to buy, or re-  
70 ceiving a motor vehicle, under conditional sale contract, lease, bailment,  
71 transfer agreement, chattel mortgage, trust receipt or any other form of  
72 security or possession agreement, or legal successor in interest.

73 "Seller" includes manufacturer, dealer, lessor, bailor, transferor, con-  
74 ditional vendor, chattel mortgagee, and any person selling, attempting to sell,  
75 or delivering a motor vehicle, under conditional sale contract, lease, bailment,  
76 transfer agreement, chattel mortgage, trust receipt or other form of security  
77 or possession agreement, or legal successor in interest.

78 The term "sell" or "sale" or "purchase" or any form thereof includes  
79 absolute or voluntary sales and purchases, agreements to sell and purchase,  
80 bailments, chattel mortgages, leases, trust receipts and other forms of  
81 security agreement whereby any motor vehicles are sold and purchased, or  
82 agreed to be sold and purchased, involuntary, statutory and judicial sales,

83 inheritance, devise or bequest, gift or any other form or manner of sale or  
84 agreement of sale thereof, or the giving or transferring possession of a motor  
85 vehicle to a person for permanent use; continued possession for sixty days  
86 or more is to be construed as permanent use.

87 "Manufacturer's numbers" means the original manufacturer's serial  
88 number affixed or attached to, or imprinted upon, the body or chassis, or  
89 either or both of them, of a motor vehicle, and the original manufacturer's  
90 number affixed to, or imprinted upon, the engine or motor of a motor vehicle.

91 "Purchaser" means a person who takes possession of a motor vehicle  
92 by transfer of ownership, either for use or resale, "except a dealer when he  
93 takes possession through a certificate of origin."

1 3. Section 39:10-6 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-6. Every person shall have for each motor vehicle in his possession  
4 in this State (a) certificate of ownership therefor in conformity with this  
5 chapter, and (b) the registration certificate for the motor vehicle, if it is  
6 registered by the commissioner and a registration certificate has been issued  
7 therefor. He shall produce either the certificate of ownership or registra-  
8 tion certificate, upon demand for production of certificate of ownership by  
9 the commissioner or a motor vehicle inspector. If he fails to do so, the  
10 commissioner or motor vehicle inspector may seize and take possession of  
11 the motor vehicle and hold and dispose of it in accordance with section  
12 39:10-21 of this Title.

13 If a motor vehicle is registered in or bears the registration plates of  
14 another State or country and is being used or operated in this State, the  
15 person in possession of it or using or operating it in this State must be en-  
16 titled to ownership or possession in accordance with the laws of the State  
17 or country where it is registered, or the registration plates of which it bears,  
18 and shall produce to the commissioner or motor vehicle inspector documents  
19 showing title to, or right of possession in, the motor vehicle in that person  
20 or in the person who has authorized him to use and operate it, or registra-

21 tion certificate or other evidence of registration, besides plates, issued by  
22 the State or country or department thereof to that person, or to the person  
23 who has authorized him to use and operate the motor vehicle, evidencing the  
24 registration of the motor vehicle in that State or country.

25       When a motor vehicle is in the possession of a garage keeper, motor vehi-  
26 cle dealer, both new and used, or motor vehicle service station in this State,  
27 the production of a writing signed by the person delivering possession of the  
28 motor vehicle to the garage keeper, dealer or service station, stating that the  
29 person is the owner or entitled to the possession of the motor vehicle and has  
30 title papers or the registration certificate therefor shall be deemed a compli-  
31 ance with this section in so far as the garage keeper, dealer and service  
32 station are concerned.

1       4. Section 39:10-8 of the Revised Statutes is amended to read as fol-  
2 lows:

3-21       39:10-8. When a new motor vehicle is delivered in this State by the  
22 manufacturer to his agent or a dealer, or a person purchasing direct from  
23 the manufacturer, the manufacturer shall execute and deliver to his agent  
24 or a dealer, or a person purchasing direct from the manufacturer, a cer-  
25 tificate of origin in the form prescribed by the commissioner of motor vehi-  
26 cles, and no person shall bring into this State any new motor vehicle unless  
27 he has in his possession the certificate of origin as prescribed by the com-  
28 missioner. The certificate of origin shall contain the manufacturer's num-  
29 bers of the motor vehicle sold, the name of the manufacturer, the horse  
30 power, a general description of the body, if any, the type and model.

31       When a new motor vehicle is sold in this State, the manufacturer, his  
32 agent or a dealer shall execute and deliver to the purchaser, in case of an  
33 absolute sale, assignment of the certificate of origin, or if other than abso-  
34 lute sale, assignment of the certificate of origin subject to contract, signed  
35 or executed by the manufacturer, his agent or a dealer, with the genuine  
36 names and business or residence addresses of both stated thereon, and cer-

37 tified to have been executed with full knowledge of the contents and with the  
38 consent of both purchaser and seller.

1 5. Section 39:10-9 of the Revised Statutes is amended to read as fol-  
2 lows:

3-14 39:10-9. In all sales after a new motor vehicle is sold by the manu-  
15 facturer, his agent or a dealer, and in every sale of a used motor vehicle, the  
16 seller shall, except as provided in section 39:10-15 of this chapter, execute  
17 and deliver to the purchaser, in the case of absolute sale, assignment of the  
18 certificate of ownership or assignment of bill of sale issued prior to the effec-  
19 tive date of this amendment; if other than absolute sale, assignment of the  
20 certificate of ownership, subject to contract, or assignment of bill of sale,  
21 subject to contract, issued prior to the effective date of this amendment.

1 6. Section 39:10-10 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-10. When the contract described in the certificate of origin, or  
4 certificate of ownership has been performed by the purchaser and title in the  
5 motor vehicle described therein is to vest in the purchaser, the seller shall  
6 deliver to the purchaser the certificate of ownership thereto, executed as  
7 provided in this chapter, with proper evidence of satisfaction of the con-  
8 tract. The contract shall contain a provision to this effect, that within a  
9 period of five days after the performance of the contract the seller shall  
10 file with the commissioner a notice, in such form as he shall prescribe, con-  
11 taining proper evidence of the satisfaction of the contract. The commissioner  
12 shall thereupon cause a notation to be made on his records of certificate of  
13-14 ownership of the motor vehicle that the contract has been satisfied.

15 Any person failing to comply with the provisions of this act shall pay a  
16 penalty of twenty-five dollars (\$25.00), which may be sued for by the com-  
17 missioner; the procedure for the collection thereof shall be the same as that  
18 set forth in chapter five of this Title.

1 7. Section 39:10-11 of the Revised Statutes is amended to read as fol-  
2 lows:

39:10-11. The purchaser of a motor vehicle in this State shall, within  
17 five days after its purchase, submit to the commissioner evidence of pur-  
18 chase. Upon presentation of the certificate of origin, or certificate of  
19 ownership, or bill of sale issued prior to the effective date of this amend-  
20 ment, with proper assignment and certification of the seller, to the commis-  
21 sioner, record of the transaction shall be made and filed. Certificate of  
22 ownership will be issued by the commissioner and delivered to the purchaser  
23 in the case of an absolute sale, and the commissioner shall collect a fee of  
24 one dollar and fifty cents (\$1.50) for the issuance and filing thereof.

25 In the case of a sale other than absolute, copy of the certificate of  
26 ownership recording the encumbrance shall be delivered to the purchaser, and  
27 the commissioner shall collect a fee of two dollars (\$2.00) for the issuance  
28 and filing thereof.

29 In addition to the issuing and filing fee, there shall be paid to the com-  
30 missioner a fee of twenty-five cents (\$0.25) for notice of satisfaction of con-  
31 tract on the record or abstract of contract, where the motor vehicle is sub-  
32 ject to a lien or encumbrance as provided in section 39:10-14.

33 *Provided, however,* when any dealer licensed under the provisions of  
34 this act is the purchaser of a motor vehicle in this State, he shall, within ten  
35 days after its purchase, submit to the commissioner the evidence of pur-  
36 chase. Upon presentation of the certificate of ownership with proper as-  
37 signment and certification of the seller to the commissioner, a record of the  
38 transaction shall be made and filed. Certificate of ownership will be issued  
39 by the commissioner and delivered to such purchaser and the commissioner  
40 shall collect a fee of fifty cents (\$0.50) for the issuing and filing thereof.

41 Any purchaser of a motor vehicle who fails to comply with the pro-  
42 visions of this section shall pay to the commissioner a penalty of five dollars  
43 (\$5.00) plus the issuing and filing fee.

1 8. Section 39:10-12 of the Revised Statutes is amended to read as follows:  
2-8 39:10-12. If certificate of ownership, or title papers, are lost, the commis-  
9 sioner may, upon proof by certification or otherwise in the manner required

10 by him and if satisfied of the bona fides of the application, prepare a certifi-  
11 cate of ownership, certify it and authorize its use in place of the original,  
12 with the same effect as the original. The commissioner shall collect a fee of  
13 one dollar (\$1.00) for this duplicate certificate.

1 9. Section 39:10-13 of the Revised Statutes is amended to read as follows:

2 39:10-13. The commissioner shall retain a file of all certificates of owner-  
3 ship until the vehicles described therein shall be eight years old according  
4 to the year of manufacture stated in such certificate of ownership. Authority  
5 is hereby granted to the commissioner to destroy all other certificates of  
6 ownership.

1 10. Section 39:10-14 of the Revised Statutes is amended to read as fol-  
2 lows:

3-24 39:10-14. The commissioner shall make a notation on the record or ab-  
25 stract of contract of every motor vehicle registered with him, which may be  
26 subject to contract of conditional sale, or other form of instrument showing  
27 the existence of such contract or other form of instrument, and shall index  
28 same under the name of the purchaser of the vehicle as long as the lien re-  
29 mains unsatisfied of record.

30 Upon request from any person the commissioner shall issue a certificate  
31 showing names and addresses of the parties to such contract of conditional  
32 sale or other instrument, the name and address of the holder of the lien, the  
33 date thereof, the date of filing, the make, model, serial and motor numbers of  
34 the motor vehicle, and, if the condition in the contract has been performed,  
35 a statement to that effect, for which he shall be entitled to a fee of twenty-  
36 five cents (\$0.25).

37 For a full certified copy of any instrument showing a lien on a motor ve-  
38 hicle, the commissioner shall be entitled to charge a fee of one dollar (\$1.00)  
39 for the certificate plus fifty cents (\$0.50) for each copy of any paper certified.

40 When evidence of satisfaction of any contract of conditional sale or other  
41 instrument as aforesaid shall be presented to the commissioner, he shall make

42 a notation thereof on the record of the sale of such motor vehicle showing  
43 that the condition in the contract has been performed.

1 11. Section 39:10-15 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-15. If a motor vehicle is seized, levied upon, or attached and taken  
4 into possession, actually or constructively, by virtue of judicial process issued  
5 by a court of competent jurisdiction in this State, or by virtue of a statute,  
6 State, Federal or otherwise, the person from whose possession the motor ve-  
7 hicle was taken, and without prejudice to his rights in the premises, shall sur-  
8 render the title papers to the commissioner upon written notice or demand  
9 from the commissioner. The officer or person so seizing and taking posses-  
10 sion of the motor vehicle shall immediately file with the commissioner a no-  
11 tice in writing giving a full description of the motor vehicle, as provided in  
12 section 39:10-8 of this Title, and the name and address of the person from  
13 whom taken, and shall attach a copy of process or statutory or other author-  
14 ity to the notice. If the motor vehicle is sold in pursuance thereof, the of-  
15 ficer so selling it shall execute and deliver to the purchaser at the sale  
16 an application for certificate of ownership, in the same form and manner  
17 as provided in said section 39:10-8, which shall also contain the name and  
18 address of the person from whom the motor vehicle was taken. A copy of  
19 the writ, order, decree, execution or other process under which the motor  
20 vehicle is sold and a copy of the notice of sale, which notice of sale shall  
21 contain a description of the motor vehicle as required by this chapter, shall  
22 be attached thereto. If the sale is held by a bailiff or attorney in fact for  
23 a lienor, the lienor shall also execute the application for certificate of  
24 ownership. The commissioner, upon due application to him by the pur-  
25 chaser at the sale, shall file and record purchase of the vehicle as provided  
26 in section 39:10-8.

1 12. Section 39:10-16 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-16. If the title papers or certificate of ownership are defective  
4 or improper, or if the motor is permanently changed, or if the motor  
5 vehicle was purchased and its sale consummated in another State or country,  
6 in accordance with the laws of such State or country regulating the sale of  
7 motor vehicles, and not made for the purpose of evading the provisions of  
8 this chapter, the bona fide owner of the motor vehicle may apply to the  
9 commissioner to correct the defects, permit the title papers to be received or  
10-11 change the number of the motor so changed.

12 The commissioner shall, upon such proof as he requires showing that it  
13 is just and equitable that the defects be corrected or that the title papers or  
14 certificate of ownership be received, with or without hearing, determine the  
15 truth and merits of the application and whether the holder appears to be the  
16 bona fide owner of the motor vehicle, and may issue his certificate correcting  
17 the defects or permitting the title papers or certificate of ownership to be so  
18 recorded and filed. The person submitting the papers shall pay to the  
19 commissioner a fee of two dollars (\$2.00) for the issuing and filing of the  
20-22 certificate.

23 Before issuing the certificate the commissioner may, in his discretion,  
24 require the person to advertise in a newspaper having a general circulation in  
25 the county where he resides, for the space of two weeks, at least once a week,  
26 making three insertions in all, a notice briefly stating that the person has ap-  
27 plied to the commissioner to correct defects in the motor vehicle title papers  
28 or to receive the title papers out of time, or as the case may be, giving a  
29 description of the motor vehicle as provided in section 39:10-8 of this Title,  
30 and that if anyone desires to be heard in opposition thereto he may do so by  
31 appearing before the commissioner on a date and at a place named, or  
32 communicating with him prior thereto. He shall also serve like notice on local  
33 police, State Police and any other person or agency, as prescribed by the com-  
34 missioner, personally or by registered mail. Proofs of the publication and  
35 service shall be submitted to the commissioner. The commissioner, his agent

36 or inspector may have the notice advertised or served at the cost and ex-  
37 pense of that person.

1 13. Section 39:10-17 of the Revised Statutes is repealed.

1 14. Section 39:10-18 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-18. The commissioner may refuse to grant a registration certificate  
4 and plates for a motor vehicle, unless there is furnished to him or his agent  
5 title papers or certificate of ownership in conformity with this chapter, in  
6 addition to the requirements of subtitle one, this Title (39:1-1 et seq.).

1 15. Section 39:10-19 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-19. No person shall engage in the business of buying, selling or  
4 dealing in motor vehicles in this State, unless he is authorized to do so under  
5 the provisions of this chapter. The commissioner may, upon application in  
6 such form as he prescribes, license any proper person as such dealer. No  
7 person who has been convicted of a crime, arising out of fraud or misrep-  
• 8 resentation in the sale or financing of a motor vehicle, shall be eligible to  
9 receive a license and each applicant for a license shall at the time such  
10 license is issued have established and maintained, or, by said application  
11 shall agree to establish and maintain, within ninety days after the issuance  
12 thereof, a place of business consisting of a permanent building not less than  
13 one thousand square feet in floor space located in the State of New Jersey;  
14 to be used principally for the servicing and display of motor vehicles with  
15 such equipment installed therein as shall be requisite for the servicing of  
16 motor vehicles in such manner as to make them comply with the laws of this  
17 State and with any rules and regulations made by the Commissioner of Motor  
18 Vehicles governing the equipment, use and operation of motor vehicles within  
19 the State. A license fee of one hundred dollars (\$100.00) shall be paid by  
20 the applicant not licensed at the time of the effective date of this amend-  
21 ment, which shall be renewed on the dealer's application from year to year  
22 thereafter without payment of a renewal fee. Every license shall expire on

23 March thirty-first of each year terminating the period for which it is issued.  
24 On and after February first of each year the commissioner shall issue  
25 licenses for the following yearly period to expire on March thirty-first of the  
26 following year.

1       16. Section 39:10-20 of the Revised Statutes is amended to read as fol-  
2 lows:

3       39:10-20. The commissioner may suspend for a period less than the  
4 unexpired term of a license or revoke a license, after hearing, for a vio-  
5 lation of any provision of this chapter or any rules and regulations made  
6 by the commissioner under authority hereof, or upon the final conviction of  
7 the licensee of a crime, arising out of fraud or misrepresentation in the sale  
8 or financing of a motor vehicle, or upon proof of the failure of a licensee  
9 to make payment of the amount of any final judgment, rendered by a court  
10 of competent jurisdiction against such licensee and founded upon a claim  
11 arising out of fraud or misrepresentation in the sale of a motor vehicle,  
12 within ninety days after the same is finally entered, or upon such licensee's  
13 failure to maintain, or establish within ninety days after the issuance of such  
14 license and to maintain a place of business consisting of a permanent build-  
15 ing not less than one thousand square feet in floor space located in the State  
16 of New Jersey; to be used principally for the servicing and display of motor  
17 vehicles with such equipment installed therein as shall be requisite for the  
18 servicing of motor vehicles in such manner as to make them comply with  
19 the laws of this State and with any rules and regulations made by the Com-  
20 missioner of Motor Vehicles governing the equipment, use and operation of  
21 motor vehicles within the State. The clerk of the court in which any con-  
22 viction is rendered, or the court where it has no clerk, shall forward to the  
23 commissioner, immediately upon the entry thereof, a certified copy of the  
24 conviction or a transcript thereof. The clerk of the court in which any  
25 judgment founded upon fraud or misrepresentation is rendered, or the court  
26 where it has no clerk, shall forward to the commissioner, immediately after  
27 the expiration of the ninety days, a certified copy of the judgment, or a

28 transcript thereof, showing it to have been unsatisfied more than ninety  
29 days after it became final. The commissioner shall, before suspending or re-  
30 voking the license, and at least ten days prior to the date set for the hearing,  
31 notify the holder of the license, in writing, of any charges made, and shall  
32 afford him an opportunity to be heard in person or by counsel. The writ-  
33 ten notice may be served either personally or by registered mail addressed  
34 to the last known address of the licensee. The commissioner may subpoena  
35 and bring before him any person in this State, or take testimony by depo-  
36 sition, in the same manner as prescribed by law in judicial proceedings in  
37 the courts of this State, and shall also issue and deliver to the dealer such sub-  
38 pœnas as are requested by him. The Supreme Court shall have power to re-  
39 view a final decision or determination of the commissioner if application by  
40 petition is made to a justice of the court by the aggrieved person within  
41 thirty days after the determination. The justice may hear and dispose of the  
42 matter summarily.

1 17. Section 39:10-21 of the Revised Statutes is amended to read as fol-  
2 lows:

3 39:10-21. All dealers for both new and used motor vehicles in this State  
4 shall have a certificate of origin, certificate of ownership, or writing pro-  
5 vided in section 39:10-6 of this Title, for all motor vehicles in their posses-  
6 sion. The commissioner, either personally or by agent or motor vehicle  
7 inspector, may demand production of, and examine, the certificate of origin,  
8 certificate of ownership, or writing provided in section 39:10-6 of this Title,  
9 for any motor vehicle in a dealer's possession, and examine and inspect  
10 any motor vehicle in his possession.

11 If the demand is not complied with, or there is no certificate of origin,  
12 certificate of ownership or writing provided in section 39:10-6 of this Title,  
13 for a motor vehicle in the possession of a dealer, or if it is not in conformity  
14 with this chapter, the commissioner or his agent or motor vehicle inspector  
15 may seize and take possession of the motor vehicle, and hold it until the  
16 certificate of origin, certificate of ownership or writing provided in section

17 39:10-21 of this Title is amended to read as follows: If defective, or ownership  
 18 of the motor vehicle is established according to law. After the expiration of  
 19 ninety days from the date the motor vehicle came into his possession, the  
 20 commissioner may sell it at public sale, upon at least ten days' written notice  
 21 of sale to the dealer, served personally or by registered mail, addressed to  
 22 the dealer at his last known place of business, and notice of the sale being  
 23 published for a space of two weeks, once a week, making three insertions in  
 24 all, in one or more newspapers published and circulating in the county  
 25 where the dealer has his established place of business and also by posting  
 26 the notice in five public places in the county. The newspapers and places  
 27 of posting shall be designated by the commissioner. Upon the sale of the  
 28 motor vehicle all valid liens and claims for interest therein, if any, shall be  
 29 transferred from the vehicle to the proceeds of sale, which subject thereto,  
 30 shall become the sole property of the State, to be used as other moneys  
 31 received by the commissioner.

1 18. Section 39:10-22 of the Revised Statutes is amended to read as fol-  
 2 lows:

3-13 39:10-22. The commissioner may prepare and prescribe any or all forms  
 14 necessary for the proper administration of this chapter. The commissioner  
 15 or motor vehicle inspector may seize and take possession of any certificate  
 16 of ownership or other title papers to which the commissioner may be en-  
 17 titled, for which a person is under duty to return to the commissioner, from  
 18 any person or place in this State, with all the rights, privileges and im-  
 19 munities conferred by law on an officer executing a writ of replevin.

1 19. Section 39:10-23 of the Revised Statutes is amended to read as fol-  
 2 lows:

3-8 39:10-23. When a motor vehicle is scrapped, junked or destroyed, or a  
 9 person permanently parts with its possession other than by sale, he shall  
 10 immediately surrender and deliver the certificate of ownership to the com-  
 11 missioner, who shall issue a receipt therefor to the person surrendering it.  
 12 When a motor vehicle is sold to be scrapped, junked or destroyed, assign-

ment shall be made to the purchaser in accordance with the provisions of section 39:10-8 of this Title. The purchaser shall within five days deliver the certificate of ownership to the commissioner, who shall issue a receipt therefor to the person surrendering it.

20. Section 39:10-24 of the Revised Statutes is amended to read as follows:

39:10-24. A person who:

a. Knowingly or willfully violates a provision of this chapter which does not provide for a specific penalty;

b. Knowingly or willfully makes a misrepresentation or false statement in any title papers or other papers submitted to the commissioner in connection therewith;

c. Purchases, receives or obtains a motor vehicle on a title paper in violation of this chapter;

d. Forges, changes or counterfeits a part of title papers;

e. Misrepresents a number placed on a motor vehicle by the manufacturer, or in any other manner misrepresents the description of a motor vehicle; or

f. Uses title papers on or for a wrong motor vehicle, with intent to evade or violate the requirements of this chapter,

Shall be guilty of a misdemeanor and punished by a fine not exceeding two thousand dollars (\$2,000.00) or by imprisonment not exceeding two years, or both, at the court's discretion, and shall immediately return the title papers involved to the commissioner.

21. Section 39:10-25 of the Revised Statutes is amended to read as follows:

39:10-25. The commissioner may designate any person to be his agent for the issuing and filing of certificates of origin and certificates of ownership in accordance with the provisions of section 39:10-11 of this Title, subject to the requirements of chapter ten, and to any rules and regulations the commissioner shall impose. The agent shall so act until his authority is

15 revoked by the commissioner. The fee allowed the agent for issuing and fil-  
16 ing each certificate of ownership shall be fixed by the commissioner to be  
17 deducted and remitted to the agent by the commissioner from the fees col-  
18 lected for the issuing and filing of such certificates. The commissioner may  
19 limit the fee so paid to a maximum. The balance of all fees collected by the  
20 commissioner pursuant to this chapter for fees paid to agents shall be de-  
21 posited with the State Treasurer in accordance with the statutes.

22 All other expenses of administering this chapter shall be paid by the  
23 State Treasurer on a voucher of the commissioner from appropriations made  
24 for the purpose of administering this act, and the balance of the fund remain-  
25 ing at the end of each fiscal year shall be accounted for by the treasurer in  
26 the manner prescribed by law.

1 22. This act shall take effect October first, one thousand nine hundred  
2 and forty-six.

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1 22. This act shall take effect October first, one thousand nine hundred  
2 and forty-six.

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#### STATEMENT

The purpose of this amendment is to require automobile manufacturers to furnish a certificate of origin for each motor vehicle sold in this State, thereby establishing a complete chain of title from manufacturer to the purchaser, and all title to motor vehicles will be issued by the Motor Vehicle Department.

All applicants for a dealers license will be required to meet certain minimum standards as to character and permanency of place of business.

5216 (1946)