

CHAPTER 37 LAWS OF N. J. 19 63

APPROVED MAY 13 - 1963

ASSEMBLY, No. 607

STATE OF NEW JERSEY

INTRODUCED MARCH 18, 1963

By Assemblyman CRABIEL

Referred to Committee on Appropriations

AN ACT to increase certain fees to be paid to the Division of Motor Vehicles and amending sections 39:3-18, 39:3-30, 39:10-11, 39:10-12 and 39:10-19 of the Revised Statutes.

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

1 1. Section 39:3-18 of the Revised Statutes is amended to read as fol-
2 lows:

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

11 A bona fide converter of commercial motor vehicles, motor-drawn vehi-
12 cles or motor vehicle chassis doing business in this State may, with regard
13 to motor or motor-drawn vehicles owned or controlled by him, obtain general
14 registration and registration plates therefor of the style and kind provided
15 for in this subtitle, with the letter "D" stated thereon. Such plates can be

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

16 placed on any vehicles owned or controlled by such converter, but only if
17 such vehicles are operated for shop, demonstration or delivery purposes.

18 A bona fide dealer in motor vehicles, motor-drawn vehicles or motor cy-
19 cles doing business in this State and having a license to do business as such
20 issued by the director may, with regard to motor or motor-drawn vehicles
21 or cycles owned by him, obtain general registration and registration plates
22 therefor of the style and kind provided for in this subtitle, with the letter
23 "D" stated thereon. Such plates shall only be placed on any vehicle or cycle
24 owned by such dealer; and provided, such vehicle is not used for hire. Any
25 person who shall be convicted of a violation of this paragraph shall be sub-
26 ject to a fine not exceeding \$100.00.

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

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

45 Any person, partnership or corporation engaged in the business of trans-
46 porting motor or motor-drawn vehicles from the place of manufacture for

47 delivery to dealers may, with regard to such vehicles, obtain general regis-
 48 tration and registration plates therefor of the kind and style provided for
 49 in this subtitle, with the word "temporary" stated thereon, but only if the
 50 director is satisfied as to the financial responsibility of such person, partner-
 51 ship or corporation to meet any claim for damages arising out of any auto-
 52 mobile accident and satisfactory evidence of such responsibility has been
 53 filed with him.

54 The annual fee for the issuance of a certificate of registration, 4 dupli-
 55 cates thereof and 5 sets of "D" or "temporary" plates bearing a number
 56 corresponding to the number on the certificate of registration shall be
 57 ~~[\$50.00]~~ \$75.00; but the annual fee for the issuance of a certificate of reg-
 58 istration for motor cycles, 2 duplicates thereof and 3 sets of "D" plates
 59 bearing a number on the certificate of registration shall be \$15.00.

1 2. Section 39:3-30 of the Revised Statutes is amended to read as follows:

2 39:3-30. Upon the transfer of ownership or the destruction of any motor
 3 vehicle its registration shall become void. If the motor vehicle is sold the
 4 original owner shall remove the license plates therefrom, and, within 48 hours,
 5 notify the director of the name and address of the purchaser.

6 The original owner may, by proper sworn application on a form to be
 7 furnished by the division, register another motor vehicle for the unexpired
 8 portion of the registration period of the original vehicle, upon payment of
 9 a fee of ~~[\$1.00]~~ \$3.00 if the vehicle is of a weight or other classification
 10 equal with or less than the one originally registered, and upon the payment
 11 of a fee of ~~[\$1.00]~~ \$3.00 and the difference between the fee originally paid
 12 and that due if the new motor vehicle is properly registerable in a higher
 13 class. Unless the original license plates have been destroyed, the owner shall
 14 be assigned the license number previously issued to him and shall receive a
 15 new registration certificate. If the original license plates have been destroyed,
 16 replacement of the plates will be made under the provisions of section 39:3-32
 17 of this Title.

18 The surviving husband, wife, child or children of a deceased registered
 19 owner of any motor vehicle in whom title thereto shall vest by virtue of the

20 terms of the will of such deceased owner, or otherwise, shall, upon application
21 to the director, and upon the payment of a fee of [~~\$1.00~~] \$3.00, be entitled to
22 have the registration of such vehicle transferred to his or her name.

1 3. Section 39:10-11 of the Revised Statutes is amended to read as
2 follows:

3 39:10-11. A. The purchaser of a motor vehicle in this State shall, within
4 10 days after its purchase, submit to the director evidence of the purchase.
5 Upon presentation to the director of the certificate of origin, or certificate of
6 ownership, or bill of sale issued prior to October 1, 1946, with proper assign-
7 ment and certification of the seller, a record of the transaction shall be made
8 and filed. A certificate of ownership shall be issued by the director and
9 delivered to the buyer, in case of a sale not subject to a security interest, and
10 the director shall collect a fee of [~~\$1.50~~] \$2.00 for the issuance and filing
11 thereof.

12 B. In the case of a sale subject to a security interest, a certificate of
13 ownership, with the name and address of the holder of the encumbrance or
14 secured party or his assignee recorded thereon, shall be delivered to the
15 holder of the encumbrance or secured party or his assignee, and a copy
16 thereof shall be delivered to the buyer. The director shall collect a fee of
17 \$2.00 for his services in issuing a certificate and copy thereof, and for making
18 a record of and filing the record of the transaction pursuant to this subsection.

19 C. Except as hereinafter in this section otherwise expressly provided,
20 whenever a security interest is created in a motor vehicle, other than a
21 security interest which is required to be noted on the certificate of origin or
22 the certificate of ownership as provided in sections 39:10-8 and 39:10-9 of
23 this Title, there shall be filed with the director, the certificate of ownership of
24 the motor vehicle, together with a financing statement on a form prescribed
25 by the director. The director shall make and file a record of the transaction
26 and shall issue a certificate of ownership recording the name and address
27 of the secured party or his assignee thereon, and shall deliver it to the
28 secured party or his assignee. A copy of the certificate of ownership so

29 issued shall be delivered to the buyer. The director shall collect a fee of
30 \$2.00 for his services in issuing a certificate and copy thereof and for making
31 a record of and filing the record of the transaction pursuant to this subsection.

32 D. The financing statement required to be filed pursuant to subsection C
33 hereof shall be signed only by the buyer, shall not be required to be acknowl-
34 edged or proved, and shall show, in addition to such matters as the director
35 may require for the proper identification of the motor vehicle affected, the
36 date of the security agreement, and the names and addresses of the parties
37 thereto. Nothing in this section 39:10-11 contained shall be construed as
38 requiring that the security agreement or a copy thereof, or any proof of
39 execution thereof other than that contained in the financing statement, shall
40 be presented to the director. When the buyer is a corporation, it shall be
41 sufficient if the financing statement is signed by any officer thereof, or by
42 any agent designated by the corporation for that purpose, and it shall not be
43 necessary that the financing statement recite the authorization of the agent.
44 When there is more than one buyer, it shall be sufficient if the financing state-
45 ment is signed by any one of them.

46 E. Nothing in subsections C and D of this section shall apply to security
47 interests in motor vehicles which constitute inventory held for sale, but such
48 interests shall be subject to chapter 9 of Title 12A of the New Jersey Statutes,
49 nor shall anything in the said subsections apply to interests in personal prop-
50 erty subject to chapter 28 of the Title, Property (46:28-4 et seq.).

51 F. In addition to the fees elsewhere in this section provided for, there
52 shall be paid to the director a fee of \$0.50 for notice of satisfaction of the lien
53 or encumbrance of the record or abstract, or of the termination of the
54 security interest where the motor vehicle is subject to a lien or encumbrance
55 or a security interest as provided in section 39:10-14 of this Title.

56 G. Notwithstanding any other provision in this section contained, when
57 any dealer licensed under the provisions of section 39:10-19 of this Title is
58 the purchaser of a motor vehicle in this State, he shall, within 10 days after
59 its purchase, submit to the director the evidence of purchase. Upon

60 presentation of the certificate of ownership with proper assignment and
61 certification of the seller to the director, a record of the transaction shall be
62 made and filed. A certificate of ownership shall be issued by the director and
63 delivered to such purchaser and the director shall collect a fee of ~~[\$0.50]~~ \$1.00
64 for the issuing and filing thereof.

65 H. Any purchaser of a motor vehicle who fails to comply with the provi-
66 sions of this section shall pay to the director a penalty of \$5.00 plus the issu-
67 ing and filing fee.

68 I. The failure of any person to comply with the requirements of this
69 section shall not constitute a misdemeanor within the provisions of section
70 39:10-24 of this Title, nor shall such failure affect the validity of any instru-
71 ment creating or reserving a security interest in a motor vehicle, as between
72 the parties to such instrument.

73 J. The notation of the name and business or residence address of a
74 secured party or his assignee, on the certificate of origin or on the certificate
75 of ownership, as provided in sections 39:10-8 and 39:10-9 of this Title, and
76 the presentation to the director in accordance with section 39:10-11 this Title,
77 of the certificate of origin or certificate of ownership so noted, and the
78 compliance with the requirements of subsections C and D of section 39:10-11
79 of this Title, shall be in lieu of all filing requirements imposed by chapter 9
80 of Title 12A of the New Jersey Statutes and shall constitute the perfection
81 of a security interest in the motor vehicle, and the rights and remedies of the
82 debtors and the secured parties in respect to such security interest shall,
83 except as otherwise expressly provided in this chapter, be subject to and
84 governed by chapter 9 of Title 12A of the New Jersey Statutes.

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

3 39:10-12. If certificate of ownership, or title papers, are lost, the director
4 may, upon proof by certification or otherwise in the manner required by him
5 and if satisfied of the bona fides of the application, prepare a certificate of
6 ownership, certify it and authorize its use in place of the original, with the

7 same effect as the original. The director shall collect a fee of ~~[\$1.00]~~ \$2.00
8 for this duplicate certificate.

9 A person who falsely states, in any application to the director for a
10 duplicate certificate of ownership, that a certificate of ownership, or title pa-
11 pers, are lost, shall be subject to a fine of not less than \$25.00 nor more than
12 \$100.00 or imprisonment for a term not exceeding 30 days or both.

1 5. 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]~~ director may, upon ap-
6 plication in such form as he prescribes, license any proper person as such
7 dealer. No person who has been convicted of a crime, arising out of fraud
8 or misrepresentation in the sale or financing of a motor vehicle, shall be
9 eligible to receive a license and each applicant for a license shall at the time
10 such license is issued have established and maintained, or by said applica-
11 tion shall agree to establish and maintain, within 90 days after the issuance
12 thereof, a place of business consisting of a permanent building not less than
13 1,000 square feet in floor space located in the State of New Jersey to be used
14 principally for the servicing and display of motor vehicles with such equip-
15 ment installed therein as shall be requisite for the servicing of motor vehi-
16 cles in such manner as to make them comply with the laws of this State and
17 with any rules and regulations made by the ~~[commissioner]~~ director of motor
18 vehicles governing the equipment, use and operation of motor vehicles within
19 the State. ~~[A license fee of \$100.00 shall be paid by the applicant not licensed~~
20 ~~at the time of the effective date of this amendment, which shall be renewed~~
21 ~~on the dealer's application from year to year thereafter without payment of~~
22 ~~a renewal fee.]~~ *A license fee of \$100.00 shall be paid by an applicant upon*
23 *his initial application for a license. The director may renew an applicant's*
24 *license from year to year, upon application for renewal on a form prescribed*
25 *by the director and accompanied each year by a renewal fee of \$100.00.*

26 Every license shall expire on March 31 of each year terminating the period
27 for which it is issued. On and after February 1 of each year the [commis-
28 sioner] *director* shall issue licenses for the following yearly period to ex-
29 pire on March 31 of the following year.

1 6. This act shall take effect on July 1, 1963 and the increases in fees
2 provided for in this act shall be applied to all transactions taking place on
3 or after that date.

STATEMENT

Governor Richard J. Hughes, in his Budget Message delivered to the Legislature on February 11, 1963, recommended a revenue program to raise an additional \$37.5 million.

One of the Governor's recommendations was a revision of miscellaneous motor vehicle fees, not including registration or drivers' license fees. This bill carries out the Governor's proposal and will provide approximately \$2.2 million in additional revenue.