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P.L. 2007, CHAPTER 335, *approved January 13, 2008*
Assembly, No. 4338 (*First Reprint*)

1 AN ACT concerning the New Jersey Motor Vehicle Commission and
2 ¹**[amending P.L.2003, c.13]** revising various parts of the
3 statutory law¹.
4
5 ¹**WHEREAS, In 2003, motor vehicle services in this State underwent**
6 a major transformation as the New Jersey Motor Vehicle
7 Commission was created to replace the Division of Motor
8 Vehicles as the agency with responsibility for issuing and
9 certifying motor vehicle driver’s licenses, ensuring the proper
10 registration of motor vehicles, and for conducting safety and
11 emissions inspections of motor vehicles; and
12 **WHEREAS, Since its creation, the commission has been successful**
13 in making great improvements in the way in which the
14 commission operates, especially in the areas of safety, security,
15 and customer service; and
16 **WHEREAS, In striving to better serve the residents of New Jersey,**
17 the commission is committed to continuously evaluating and
18 addressing the need for improving its services and operations to
19 achieve and sustain a level of excellence for the motoring public;
20 and
21 **WHEREAS, To advance these efforts, the commission has**
22 recommended making certain changes to the current
23 organizational structure of the commission by establishing the
24 current members of the commission as the "board" of the
25 commission with the function of governing the commission and
26 permitting the board to increase certain fees and surcharges by
27 regulation; and
28 **WHEREAS, The commission released the “MVC Forward” report in**
29 2007, in which it identified the areas of the commission’s
30 operations that require improvement and created a roadmap for
31 the commission’s future; and
32 **WHEREAS, It is therefore in the public interest for the Legislature to**
33 make certain improvements recommended by the commission
34 and in the MVC Forward report to support the commission in its
35 mission to continue to improve its services and operations to
36 better serve the residents of this State; now, therefore¹
37
38 **BE IT ENACTED** *by the Senate and General Assembly of the State*
39 *of New Jersey:*
40

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted December 17, 2007.

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

3 3. As used in this act:

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

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

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

13 "Chair" means the chair of the **[commission]** board.

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

16 "Commission" means the New Jersey Motor Vehicle
17 Commission established and created by section 4 of this act.

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

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

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

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

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

29 "Service charge" means an amount charged by the commission
30 for services rendered, which includes all new fees and surcharges,
31 increases in existing fees and surcharges, and such amounts as
32 provided in section 105 of P.L.2003, c.13 (C.39:2A-36). Service
33 charges are revenue of the commission and are not subject to
34 appropriation as Direct State Services by the Legislature.
35 (cf: P.L.2003, c.13, s.3)

36

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

39 12. a. **[The commission]** Except as otherwise provided by law,
40 the commission shall be governed by a board which shall consist of
41 the following eight members:

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

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

46 (3) The Chair of the **[commission]** board who shall be a
47 nonvoting member. The Chair shall be appointed by the Governor
48 with the advice and consent of the Senate. The Chair shall serve at

1 the pleasure of the Governor during the Governor's term of office,
2 and shall receive such salary as shall be fixed by the Governor
3 which is not greater than the salary of a cabinet-level official of the
4 State. Prior to nomination, the Governor shall cause the Attorney
5 General to conduct an inquiry into the nominee's background,
6 financial stability, integrity and responsibility and reputation for
7 good character, honesty and integrity. The person appointed and
8 serving as Chair shall also be Chief Administrator of the
9 commission and shall devote full time to the performance of **[his]**
10 the duties of that position. The Chief Administrator shall be in the
11 State unclassified service~~].~~

12 Notwithstanding the provisions of this section to the contrary,
13 the person in office as the Director of the Division of Motor
14 Vehicles in the Department of Transportation on the effective date
15 of this section shall be the first Chair of the commission without the
16 further requirement of the advice and consent of the Senate and
17 shall also be the first Chief Administrator of the commission~~];~~

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

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

34 b. ~~'[Initial appointments]~~ Appointments¹ of public members to
35 the ~~[commission]~~ board ~~'shall be for terms of four years, except~~
36 ~~that in filling each vacancy, among the several public members, that~~
37 ~~first arises by expiration of the respective terms of those members~~
38 ~~following the effective date of P.L. , c. (C.)(pending before~~
39 ~~the Legislature as this bill),~~ appointments¹ shall be for terms as
40 follows: one member for four years, one member for three years,
41 one member for two years, and one member for one year. ~~'[After~~
42 ~~the initial appointments, all public members shall be appointed for~~
43 ~~terms of four years; and]~~ A public member¹ may be appointed for
44 any number of successive terms. ~~'[A member's term shall be~~
45 ~~deemed to commence on January 1 of the year in which the member~~
46 ~~is appointed.]~~¹ The ~~[commission]~~ board may elect a secretary and

1 a treasurer, who need not be members, and the same person may be
2 elected to serve both as secretary and treasurer.

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

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

14 e. A vacancy in the membership of the **[commission]** board
15 occurring other than by expiration of term shall be filled in the same
16 manner as the original appointment, but for the unexpired term
17 only.

18 (cf: P.L.2003, c.13, s.12)

19

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

22 13. a. In addition to any powers and duties conferred upon it
23 elsewhere in this act, the **[commission]** board shall be authorized
24 to:

25 (1) Make, amend and repeal bylaws not inconsistent with State
26 and federal law;

27 (2) Adopt an official seal;

28 (3) Maintain an office at such place or places within the State as
29 it may designate;

30 (4) Apply for and accept grants from the State or federal
31 government, or any agency thereof, or grants, gifts or other
32 contributions from any foundation, corporation, association or
33 individual, or any private source, and comply with the terms,
34 conditions and limitations thereof, as necessary and proper to carry
35 out the purposes of this act;

36 (5) Delegate to the administrator and any other officers of the
37 commission such powers and duties as necessary and proper to
38 carry out the purposes of this act;

39 (6) Operate, lease, license or contract in such manner as to
40 produce revenue for the commission, as provided in this act;

41 (7) Accept and use any funds available to the commission;

42 (8) Enter into agreements or contracts to pay for goods ¹**[or]**
43 from and¹ services rendered ¹**[from]** by¹ any public or private
44 entity, and receive payment for services rendered to any public or
45 private entity; and

46 (9) Enter into agreements or contracts, execute any and all
47 instruments, and do and perform acts or things necessary,

1 convenient or desirable for the purposes of the commission, or to
2 carry out any power expressly or implicitly given in this act.

3 b. The **【commission】 board** is further authorized to:

4 (1) Review and approve a statement of the vision, mission, and
5 goals of the commission, as submitted by the administrator;

6 (2) Review and approve the strategic business plan of the
7 commission which shall include the commission's long-term
8 objectives, policies, and programs, including a facilities
9 improvement and management plan and a table of organization, as
10 submitted by the administrator;

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

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

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

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

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

35 c. Except as provided in this section and section 21 of this act,
36 all administrative functions, powers and duties of the commission
37 may be exercised by the administrator and any reference to the
38 commission in any law, rule or regulation may for this purpose be
39 deemed to refer to the administrator.

40 (cf: P.L.2003, c.13, s.13)

41

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

44 14. The **【commission】 board** shall elect annually, by a majority
45 of the full membership of the **【commission】 board**, one of its
46 members, other than the Chair, to serve as Vice-Chair for the
47 ensuing year. The Vice-Chair shall hold office until January 1 next
48 ensuing. The Vice-Chair, acting in the capacity of presiding

1 officer, shall carry out all of the responsibilities of the Chair of the
2 **【commission】 board** during the Chair's absence, disqualification, or
3 inability to serve.

4 (cf: P.L.2003, c.13, s.14)

5

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

8 15. Members other than those serving ex officio shall serve
9 without compensation, but the **【commission】 board** shall reimburse
10 **【commission】 board** members for actual expenses necessarily
11 incurred in the discharge of their duties.

12 (cf: P.L.2003, c.13, s.15)

13

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

16 16. a. The **【commission】 board** shall meet **【monthly】 every**
17 **other month** or at more frequent times at the discretion of the Chair
18 or as a majority of the **【commission】 board** shall decide. Meetings
19 of the **【commission】 board** shall be held at such times and places as
20 the Chair may deem necessary and convenient.

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

23 c. Any other law, rule or regulation to the contrary
24 notwithstanding, the **【commission】 board** shall take all necessary
25 steps to ensure that all interested persons are given adequate notice
26 of **【commission】 board** meetings and the agenda of such meetings,
27 through the utilization of media engaged in the dissemination of
28 information.

29 d. The powers of the **【commission】 board** shall be vested in the
30 members thereof. Four members of the **【commission】 board** shall
31 constitute a quorum at any meeting. Actions may be taken and
32 motions and resolutions adopted by the **【commission】 board** by the
33 affirmative vote of at least four voting members. No vacancy in the
34 membership of the **【commission】 board** shall impair the right of a
35 quorum to exercise all the rights and perform all the duties of the
36 **【commission】 board**.

37 (cf: P.L.2003, c.13, s.16)

38

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

41 17. A true copy of the minutes of every meeting of the
42 **【commission】 board** shall be delivered by and under the
43 certification of the secretary of the **【commission】 board**, without
44 delay, to the Governor. No action taken at the meeting shall have
45 force or effect until 10 days, Saturdays, Sundays, and public
46 holidays excepted, after the minutes are delivered, unless during the

1 10-day period the Governor approves the minutes, in which case the
2 action shall become effective upon approval. If, in that 10-day
3 period, the Governor returns copies of the minutes with a veto of
4 any action taken by the **【commission】** board or any member, the
5 action shall be null and void and of no effect.

6 (cf: P.L.2003, c.13, s.17)

7
8 8. Section 18 of P.L.2003, c.13 (C.39:2A-18) is amended to read
9 as follows:

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

13 (cf: P.L.2003, c.13, s.18)

14

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

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

25 (cf: P.L.2003, c.13, s.19)

26

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

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

38 (cf: P.L.2003, c.13, s.21)

39

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

42 22. a. On or before **【September 30】** '**【July 1】** January 31' of
43 each year, the commission shall file with the Governor **【and】** , the
44 presiding officer of each House of the Legislature, and the Senate
45 Transportation Committee and the Assembly Transportation and
46 Public Works Committee, or their successors, a report setting forth
47 the operational, capital and financial expenditures of the previous

1 year, 'and' the operational, capital ',¹ and financial plan, and the
2 table of organization and staffing plan, for the current year ¹【and a
3 proposed operational, capital and financial plan for the next ensuing
4 year. The report may include recommendations for revisions to fees
5 or service charges which the commission deems appropriate】¹.

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

11 'The commission shall also include in the report an assessment
12 of the service provided by the commission. The assessment shall
13 include information or data or both relating to security
14 improvements, annual transactions performed, customer wait times,
15 and criminal complaints.'¹

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

20 c. 【On or before September 30 and March 30 of each year, the
21 commission shall file with the Governor and the presiding officer of
22 each House of the Legislature a report providing an assessment of
23 the quality of service provided by the commission and a description
24 of any security improvements made by the commission in the prior
25 six-month period and those anticipated in the current six-month
26 period.

27 To the extent practicable, the report also shall include data
28 setting forth in detail the number of transactions annually
29 performed at each commission agency or facility and by other
30 means including, but not limited to, electronic transactions. This
31 portion of the report also shall disclose, to the extent practicable,
32 the average waiting time to process a transaction at each
33 commission agency or facility and, where applicable, through other
34 means. If the commission determines that it is not able to ascertain
35 these data for inclusion in the six-month report, the report shall set
36 forth the reasons the data could not be included and provide a date
37 by which the commission reasonably estimates that it will be able to
38 provide these data.

39 In addition, the report shall include the number of criminal
40 complaints filed against any commission employee or any other
41 person, in connection with commission related activity. Complaints
42 which are determined to be unfounded shall not be included. The
43 report shall set forth the various crimes and offenses for which
44 complaints were filed against any commission employee or in
45 connection with any commission activity.】 ¹【The commission shall
46 also include in the report an assessment of the service provided by
47 the commission. The assessment shall include information or data

1 or both relating to security improvements, annual transactions
2 performed, customer wait times, and criminal complaints.】 (Deleted
3 by amendment, P.L. , c. (C.)(pending before the Legislature as
4 this bill)'

5 (cf: P.L.2003, c.13, s.22)

6

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

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

19 (cf: P.L.2003, c.13, s.23)

20

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

23 26. There are created within the commission five advisory
24 councils, which shall provide the ~~【commission】 board~~ with advice,
25 technical expertise, information, guidance, and recommendations in
26 four general areas. The ~~【commission】 board~~ shall designate the
27 appropriate State and local government representatives, interest
28 group representatives, technical experts, and constituent
29 representatives as appropriate to serve on the councils~~[,] with no~~
30 council having more than five members~~】~~. Federal government
31 representatives and representatives of national organizations shall
32 be asked to serve, and if willing, shall be designated by the
33 ~~【commission】 board~~ to serve. All council members shall be
34 designated by ~~【commission】 board~~ action and shall serve on
35 rotating terms so as to provide stability and continuity on each
36 council. The Chair, or the Chair's designee, shall serve on each
37 council. The councils shall meet and report to the ~~【commission~~
38 ~~monthly, or】 board~~ as frequently as the ~~【commission】 board~~
39 requests. The councils are as follows:

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

45 b. The Customer Service Advisory Council, which shall advise
46 the ~~【commission】 board~~ regarding ~~【its】 the commission's~~ policies,
47 operating practices, employee communications, regulations, and

1 standards in providing appropriate customer service. The council
2 shall: examine benchmarking performance and level of service
3 standards for the **【Telephone】** Contact Center; examine internal
4 communications to ensure consistency and systematic application;
5 make recommendations regarding marketing and the dissemination
6 of information to the public to re-establish a robust marketing and
7 public information program which informs and educates public
8 consumers; and advise on all aspects of customer service at the
9 commission.

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

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

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

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

36 (cf: P.LL.2003, c.13, s.26)

37

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

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

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

46 b. Administer and organize the work of the commission in such
47 organizational units, and from time to time alter the plan of

- 1 organization as deemed expedient, as necessary for the secure,
2 efficient and effective operation of the commission;
- 3 c. Appoint, remove and fix the compensation of subordinate
4 officers and other personnel employed by the commission in
5 accordance with the commission's table of organization, except as
6 herein otherwise specifically provided;
- 7 d. Appoint, remove, and fix the compensation and terms of
8 employment of the deputy administrator, who shall serve in the
9 State unclassified service, in accordance with the commission's
10 table of organization;
- 11 e. Organize and maintain an administrative office and employ
12 therein such secretarial, clerical and other assistants in the
13 commission as the internal operations of the commission may
14 require;
- 15 f. Formulate and adopt rules and regulations for the efficient
16 conduct of the work and general administration of the commission,
17 its officers and employees;
- 18 g. Prepare an annual budget, and submit it to the **[commission]**
19 board;
- 20 h. Prepare annually, a strategic business plan and submit it to
21 the **[commission]** board, including a facilities improvement and
22 management plan and a table of organization;
- 23 i. Institute or cause to be instituted such legal proceedings or
24 processes as may be necessary to properly enforce and give effect to
25 any of the powers or duties of the administrator;
- 26 j. Report as the Governor shall from time to time request or as
27 may be required by law;
- 28 k. Collect all fees, fines, penalties, surcharges, service charges
29 and other charges imposed by this act and the regulations issued
30 pursuant thereto or pursuant to law;
- 31 l. Develop and maintain a master list of all assets;
- 32 m. Oversee the implementation of the facilities improvement
33 and management plan, in consultation with the State Treasurer; and
- 34 n. Perform such other functions as may be prescribed in this act
35 or by any other law or by the **[commission]** board.

36 (cf: P.L.2003, c.13, s.28)

37

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

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

1 statutes, then the \$200,000,000 in revenue from those service
2 charges to the commission shall be increased or lowered
3 proportionately:

4 Section 4 of P.L.1995, c.401 (C.12:7-73); section 24 of
5 P.L.1984, c.152 (C.12:7A-24); section 28 of P.L.1984, c.152
6 (C.12:7A-28); section 1 of P.L.1983, c.65 (C.17:29A-33); section 6
7 of P.L.1983, c.65 (C.17:29A-35); section 9 of P.L.1998, c.108
8 (C.27:5F-42); R.S.39:2-10; section 1 of P.L.1969, c.301 (C.39:3-
9 4b); section 2 of P.L.1969, c.301 (C.39:3-4c); R.S.39:3-8; section 2
10 of P.L.1968, c.439 (C.39:3-8.1); section 1 of P.L.1992, c.87
11 (C.39:3-8.2); R.S.39:3-10; section 23 of P.L.1975, c.180 (C.39:3-
12 10a); section 1 of P.L.1977, c.23 (C.39:3-10b); section 1 of
13 P.L.1979, c.261 (C.39:3-10f); section 22 of P.L.1990, c.103
14 (C.39:3-10.30); R.S.39:3-13; R.S.39:3-18; R.S.39:3-19; section 2 of
15 P.L.1974, c.162 (C.39:3-19.2); section 12 of P.L.1979, c.224
16 (C.39:3-19.5); R.S.39:3-20; section 1 of P.L.1973, c.319 (C.39:3-
17 20.1); R.S.39:3-21; R.S.39:3-24; R.S.39:3-25; R.S.39:3-26; section
18 2 of P.L.1964, c.195 (C.39:3-27.4); section 2 of P.L.1968, c.247
19 (C.39:3-27.6); section 2 of P.L.1977, c.369 (C.39:3-27.9); section 2
20 of P.L.1979, c.457 (C.39:3-27.16); section 2 of P.L.1981, c.139
21 (C.39:3-27.19); R.S.39:3-28; R.S.39:3-30; R.S.39:3-31; section 1 of
22 P.L.1961, c.77 (C.39:3-31.1); R.S.39:3-32; section 1 of P.L.1999,
23 c.192 (C.39:3-33a); section 1 of P.L.2001, c.35 (C.39:3-33b);
24 section 2 of P.L.1959, c.56 (C.39:3-33.4); section 4 of P.L.1959,
25 c.56 (C.39:3-33.6); R.S.39:3-36; section 1 of P.L.1979, c.314
26 (C.39:3-54.14); section 2 of P.L.1999, c.308 (C.39:3-75.2);
27 R.S.39:3-84; section 2 of P.L.1999, c.396 (C.39:3-84.7); section 3
28 of P.L.1973, c.307 (C.39:3C-3); section 10 of P.L. 1983, c.105
29 (C.39:4-14.3j); section 23 of P.L.1983, c.105 (C.39:4-14.3w);
30 R.S.39:4-26; R.S.39:4-30; section 11 of P.L.1985, c.14 (C.39:4-
31 139.12); section 1 of P.L.1972, c.38 (C.39:5-30.4); section 31 of
32 P.L.1994, c.60 (C.39:5-36.1); section 20 of P.L.1952, c.173
33 (C.39:6-42); section 2 of P.L.1983, c.141 (C.39:6B-3); R.S.39:7-3;
34 section 3 of P.L.1975, c.156 (C.39:8-11); section 8 of P.L.1975,
35 c.156 (C.39:8-16); section 9 of P.L.1975, c.156 (C.39:8-17); section
36 15 of P.L.1975, c.156 (C.39:8-23); section 5 of P.L.1995, c.112
37 (C.39:8-45); section 7 of P.L.1995, c.112 (C.39:8-47); section 12 of
38 P.L.1995, c.112 (C.39:8-52); section 11 of P.L.1995, c.157 (C.39:8-
39 69); section 13 of P.L.1995, c.112 (C.39:8-53); section 14 of P.L.
40 1995, c.112 (C.39:8-54); R.S.39:10-11; R.S.39:10-12; R.S.39:10-
41 14; R.S.39:10-16; R.S.39:10-19; R.S.39:10-25; section 5 of
42 P.L.1983, c.323 (C.39:10-35); section 8 of P.L.1983, c.455
43 (C.39:10A-15); R.S.39:11-8; section 2 of P.L.1951, c.216 (C.39:12-
44 2); section 5 of P.L.1951, c.216 (C.39:12-5); and section 2 of
45 P.L.1983, c.360 (C.39:13-2).

46 Proportional revenues remitted to the commission for the fiscal
47 years beginning July 1, 2004 and thereafter shall have the same
48 proportion as the proportional revenues remitted to the commission

1 for the fiscal year beginning July 1, 2003, and this calculation shall
2 not be impacted by the acceleration of revenue attributable to new
3 passenger automobile registrations implemented pursuant to
4 P.L.2004, c.64.

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

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

20 d. Revenues of the commission shall not be subject to
21 appropriation as direct State services by the Legislature. In
22 addition, the revenues of the commission shall not be restricted
23 from use by the commission in any manner except as provided by
24 law. Revenues of the commission may be used in the furtherance of
25 any purpose of the commission or as otherwise provided for by
26 law.¹

27 (cf: P.L.2004, c.64, s.5)

28

29 ¹16. (New section) a. On and after the effective date of P.L. _____,
30 c. _____ (C. _____)(pending before the Legislature as this bill), the board
31 may, by regulation adopted pursuant to the "Administrative
32 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), increase fees
33 and surcharges collected pursuant to the following statutes,
34 notwithstanding any law, rule, or regulation to the contrary:

35 Section 4 of P.L.1995, c.401 (C.12:7-73); section 24 of
36 P.L.1984, c.152 (C.12:7A-24); section 28 of P.L.1984, c.152
37 (C.12:7A-28); section 1 of P.L.1983, c.65 (C.17:29A-33); section 6
38 of P.L.1983, c.65 (C.17:29A-35); section 9 of P.L.1998, c.108
39 (C.27:5F-42); R.S.39:2-10; section 1 of P.L.1969, c.301 (C.39:3-
40 4b); section 2 of P.L.1969, c.301 (C.39:3-4c); section 2 of
41 P.L.1968, c.439 (C.39:3-8.1); section 1 of P.L.1992, c.87 (C.39:3-
42 8.2); section 23 of P.L.1975, c.180 (C.39:3-10a); section 1 of
43 P.L.1977, c.23 (C.39:3-10b); section 1 of P.L.1979, c.261 (C.39:3-
44 10f); section 22 of P.L.1990, c.103 (C.39:3-10.30); R.S.39:3-13;
45 R.S.39:3-18; R.S.39:3-19; section 2 of P.L.1974, c.162 (C.39:3-
46 19.2); section 12 of P.L.1979, c.224 (C.39:3-19.5); R.S.39:3-20;
47 section 1 of P.L.1973, c.319 (C.39:3-20.1); R.S.39:3-21; R.S.39:3-
48 24; R.S.39:3-25; R.S.39:3-26; section 2 of P.L.1964, c.195 (C.39:3-

1 27.4); section 2 of P.L.1968, c.247 (C.39:3-27.6); section 2 of
2 P.L.1977, c.369 (C.39:3-27.9); section 2 of P.L.1979, c.457
3 (C.39:3-27.16); section 2 of P.L.1981, c.139 (C.39:3-27.19);
4 R.S.39:3-28; R.S.39:3-30; R.S.39:3-31; section 1 of P.L.1961, c.77
5 (C.39:3-31.1); R.S.39:3-32; section 1 of P.L.1999, c.192 (C.39:3-
6 33a); section 1 of P.L.2001, c.35 (C.39:3-33b); section 2 of
7 P.L.1959, c.56 (C.39:3-33.4); section 4 of P.L.1959, c.56 (C.39:3-
8 33.6); R.S.39:3-36; section 1 of P.L.1979, c.314 (C.39:3-54.14);
9 section 2 of P.L.1999, c.308 (C.39:3-75.2); R.S.39:3-84; section 2
10 of P.L.1999, c.396 (C.39:3-84.7); section 3 of P.L.1973, c.307
11 (C.39:3C-3); section 10 of P.L. 1983, c.105 (C.39:4-14.3j); section
12 23 of P.L.1983, c.105 (C.39:4-14.3w); R.S.39:4-26; R.S.39:4-30;
13 section 11 of P.L.1985, c.14 (C.39:4-139.12); section 1 of P.L.1972,
14 c.38 (C.39:5-30.4); section 31 of P.L.1994, c.60 (C.39:5-36.1);
15 section 20 of P.L.1952, c.173 (C.39:6-42); section 2 of P.L.1983,
16 c.141 (C.39:6B-3); R.S.39:7-3; section 3 of P.L.1975, c.156
17 (C.39:8-11); section 8 of P.L.1975, c.156 (C.39:8-16); section 9 of
18 P.L.1975, c.156 (C.39:8-17); section 15 of P.L.1975, c.156 (C.39:8-
19 23); section 5 of P.L.1995, c.112 (C.39:8-45); section 7 of
20 P.L.1995, c.112 (C.39:8-47); section 12 of P.L.1995, c.112 (C.39:8-
21 52); section 11 of P.L.1995, c.157 (C.39:8-69); section 13 of
22 P.L.1995, c.112 (C.39:8-53); section 14 of P.L. 1995, c.112
23 (C.39:8-54); R.S.39:10-11; R.S.39:10-12; R.S.39:10-14; R.S.39:10-
24 16; R.S.39:10-19; R.S.39:10-25; section 5 of P.L.1983, c.323
25 (C.39:10-35); section 8 of P.L.1983, c.455 (C.39:10A-15);
26 R.S.39:11-8; section 2 of P.L.1951, c.216 (C.39:12-2); section 5 of
27 P.L.1951, c.216 (C.39:12-5); and section 2 of P.L.1983, c.360
28 (C.39:13-2).

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

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

45 (2) All increases in a fee or surcharge after the first increase shall
46 also be subject to the following limitation: the increase shall not
47 exceed the cumulative annual percentage increase in the Consumer

1 Price Index for the five fiscal years prior to the date of the proposed
2 subsequent increase.

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

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

10 c. Pursuant to subsection b. of section 105 of P.L.2003, c.13
11 (C.39:2A-36), 100 percent of the increased revenues collected from
12 such increase shall be remitted to the commission.¹

13

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

16 110. In addition to the vehicle registration fees imposed
17 pursuant to the provisions of chapters 3, 4, and 8 of Title 39 of the
18 Revised Statutes, the commission shall impose and collect an
19 additional \$7 for each new and renewal vehicle registration as a
20 security surcharge, which surcharge shall take effect on the
21 enactment of P.L.2003, c.13 (C.39:2A-1 et al.) **【and shall expire ten**
22 **years thereafter】**. The security surcharges collected pursuant to this
23 section shall be revenues of the commission and shall not be subject
24 to the calculation of proportional revenue remitted to the
25 commission pursuant to section 105 of P.L.2003, c.3 (C.39:2A-36).
26 The security surcharge shall not be imposed on the registration of
27 passenger vehicles registered to persons possessing a valid
28 handicapped person identification card issued pursuant to section 2
29 of P.L.1949, c.280 (C.39:4-205) or to persons aged 65 years of age
30 or older at the time of registration or registration renewal.
31 Revenues of the commission shall not be subject to appropriation as
32 direct State services by the Legislature. In addition, the revenues of
33 the commission shall not be restricted from use by the commission
34 in any manner except as provided by law. Revenues of the
35 commission may be used in the furtherance of any purpose of the
36 commission or as otherwise provided for in law.¹

37 (cf: P.L.2003, c.13, s.110)

38

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

40 39:3-3. A Motor Vehicle Agent (hereinafter "agent") shall
41 administer and ensure the efficient operations of a local commission
42 office. The **【commission】 board** shall designate at least one person
43 in each county **【for each 300,000 inhabitants or fraction thereof】** to
44 be its agent for the registering of motor vehicles, issuing
45 registration certificates and licensing of drivers, subject to the
46 requirements of this subtitle and to any rules and regulations the
47 **【commission】 board** imposes. The agent shall so act until **【his】 the**

1 agent's authority is revoked by the **【commission】** board. All
2 moneys received by such agents for registrations and licenses
3 granted under the provisions of this chapter shall forthwith be
4 deposited as received with the State Treasurer. Notwithstanding
5 any provision of law to the contrary, all current agent contracts
6 shall remain in effect until their expiration. Until the agent contract
7 expires, the fee allowed the agent for registration certificates issued
8 by him and for every license granted by him shall be fixed by the
9 **【commission】** board on the basis of the registration or license fees
10 collected by the agent. The **【commission】** board may limit the fee
11 so paid to a maximum. Such fee shall be paid to the agent by the
12 State Treasurer upon the voucher of the commission in the same
13 manner as other State expenses are paid until the agent contract
14 expires. At such time as the agent becomes a State employee, the
15 agent shall receive a salary as fixed by the administrator in
16 accordance with the commission table of organization. Future agent
17 appointments shall be in the State unclassified service and the
18 agents shall serve at the pleasure of the administrator. To determine
19 suitability for appointment, all agents shall undergo a background
20 check prior to appointment based upon an examination of State,
21 federal and financial records. No person shall be appointed as an
22 agent who has contributed \$1,000 or more to any gubernatorial or
23 State party committee in any one year during the five years
24 preceding appointment. All agents appointed pursuant to this
25 section shall be qualified by education and experience to administer
26 and ensure the efficient operation of a local commission office. As
27 used in this section, education and experience shall include a
28 background in law enforcement, security services, customer
29 relations or services; business administration, finance or
30 management; or public administration or finance.¹

31 (cf: P.L.2003, c.13, s.43)

32

33 ¹19. R.S. 39:3-4c is amended to read as follows:

34 39:3-4c. The **【director】** chief administrator may prescribe rules
35 and regulations governing the issuance of temporary registration
36 certificates and temporary plates by motor vehicle dealers,
37 motorized bicycle dealers, and the **【Division of Motor Vehicles】**
38 Motor Vehicle Commission and may require security in sufficient
39 amount to guarantee payment of all fees and moneys to the State of
40 New Jersey and **【if he finds】** , upon a finding that any abuse has
41 been practiced by any licensed motor vehicle or motorized bicycle
42 dealer, **【he】** the chief administrator shall have the right to suspend
43 **【his】** such dealer's privilege or franchise to issue such temporary
44 registration certificates and plates. **【The director shall also**
45 **annually determine the fees to be charged and paid pursuant to this**
46 **act, except that no such fee shall exceed the actual cost to the State**
47 **of New Jersey of implementing and enforcing the terms and**

1 provisions of this act. All moneys received by such licensed dealers
2 for temporary registration certificates and plates granted under the
3 provisions of this act shall forthwith be deposited as received with
4 the State Treasurer.】 Temporary registration certificates for
5 vehicles to be permanently registered in New Jersey shall be valid
6 for a period of 30 days. In the event permanent registration has
7 been delayed by reason of a lost title certificate or failure of a lien
8 holder to timely turn over a certificate of title, a second temporary
9 registration certificate may be issued. A licensed motor vehicle or
10 motorized bicycle dealer shall make a record in the form and
11 manner prescribed by the chief administrator for each such second
12 temporary registration certificate issued and shall pay an enhanced
13 fee to be determined by the chief administrator for each such
14 registration issued. Each licensed motor vehicle or motorized
15 bicycle dealer shall annually determine the fees to be paid pursuant
16 to this section and shall remit annually under certification the
17 amount due to the Motor Vehicle Commission.

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

28 A temporary registration certificate issued hereunder may be
29 issued by any employee authorized by a licensed dealer to do so;
30 however, the licensee shall be liable for the acts of any such
31 authorized person in issuing temporary registrations, whether the
32 particular unlawful acts were authorized or unauthorized.¹

33 (cf: P.L.1983, c.105, s.5)

34

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

36 39:3-18. A manufacturer of motor vehicles, motor-drawn
37 vehicles, motor vehicle bodies, motorized bicycles, or motorcycles
38 doing business in this State may, with regard to motor or motor-
39 drawn vehicles, motorized bicycles, or motorcycles owned or
40 controlled by him, obtain general registration and registration plates
41 therefor of the style and kind provided for in this subtitle, with the
42 letter "D" stated thereon. Such plates can be placed on any vehicle
43 or cycle owned or controlled by such manufacturer, but only if it is
44 operated only for shop, demonstration or delivery purposes.

45 A bona fide converter of commercial motor vehicles, motor-
46 drawn vehicles or motor vehicle chassis doing business in this
47 State may, with regard to motor or motor-drawn vehicles owned or
48 controlled by him, obtain general registration and registration

1 plates therefor of the style and kind provided for in this subtitle,
2 with the letter "D" stated thereon. Such plates can be placed on
3 any vehicles owned or controlled by such converter, but only if
4 such vehicles are operated for shop, demonstration or delivery
5 purposes.

6 A bona fide dealer in motor vehicles, motor-drawn vehicles or
7 motorcycles doing business in this State and having a license to do
8 business as such issued by the director may, with regard to motor
9 or motor-drawn vehicles or cycles owned by him, obtain general
10 registration and registration plates therefor of the style and kind
11 provided for in this subtitle, with the letter "D" stated thereon.
12 Such plates shall only be placed on any vehicle or cycle owned by
13 such dealer; and provided, such vehicle is not used for hire. Such
14 vehicles may be assigned to dealership principals or employees for
15 product familiarization or compensation purposes, and may be used
16 for any lawful purpose, including personal use, and personal use by
17 persons authorized by that dealership employees or principals. Any
18 person who shall be convicted of a violation of this paragraph shall
19 be subject to a fine not exceeding ~~[\$100.00]~~ \$1000.

20 A bona fide dealer in motorized bicycles, as defined in R.S.
21 39:1-1, who has an established place of business in this State, may,
22 with regard to motorized bicycles owned by him, obtain general
23 registration and registration plates therefor of the style and kind
24 provided for in this subtitle, with the letter "D" stated thereon.
25 The plates can be placed on a motorized bicycle by the dealer, but
26 only if the motorized bicycle is operated only for shop,
27 demonstration, or delivery purposes.

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

39 Any corporation engaged in the business of insuring motor
40 vehicles, motorized bicycles, or motor-drawn vehicles against theft
41 may, with regard to vehicles owned or controlled by it, obtain
42 general registration and registration plates therefor of the style and
43 kind provided for in this subtitle, with the word "temporary" stated
44 thereon. Such plates can be placed on any such vehicle, if
45 ownership or control thereof has been obtained by virtue of the
46 terms of an insurance against theft contract made by such
47 corporation, and only when the vehicle is to be transported for

1 delivery to the owner thereof from the place where it has been
2 abandoned by or seized from a thief.

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

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

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

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

46 Registration plates issued pursuant to this section shall be a
47 single plate and shall be issued in sets of five and shall bear the
48 letter "D" or the word "temporary" and shall bear a number

1 corresponding to the number on the certificate of registration. The
2 single registration plate shall be displayed in accordance with the
3 provisions of R.S. 39:3-33.

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

12 Following the effective date of P.L. , c. (C.)(pending before
13 the Legislature as this bill), the chief administrator may, as a
14 condition for the issuance of general registration and registration
15 plates, require security in an amount deemed sufficient by the chief
16 administrator to secure the prompt return of such plates to the
17 Motor Vehicle Commission when the use and possession of such
18 plates by any person or entity previously entitled to the plates
19 pursuant to this section is no longer necessary or proper in the
20 determination of the chief administrator. Any security amount held
21 by the Motor Vehicle Commission as security for any returned
22 plates shall be refunded to the person or entity to whom the plates
23 were issued.¹

24 (cf: P.L.1983, c.105, s.1)

25

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

27 39:10-6. Every person shall have for each motor vehicle in his
28 possession in this State: (a) certificate of ownership therefor in
29 conformity with this chapter, and (b) the registration certificate for
30 the motor vehicle, if it is registered by the director and a
31 registration certificate has been issued therefor. He shall produce
32 either the certificate of ownership or registration certificate, at the
33 discretion of the director, upon demand for production thereof by
34 the director. If he fails to do so, the director may seize and take
35 possession of the motor vehicle and hold and dispose of it in
36 accordance with R.S.39:10-21.

37 If a motor vehicle is registered in or bears the registration plates
38 of another state or country and is being used or operated in this
39 State, the person in possession of it or using or operating it in this
40 State must be entitled to ownership or possession in accordance
41 with the laws of the state or country where it is registered or the
42 registration plates of which it bears, and shall produce to the
43 director documents showing title to, or right of possession in, the
44 motor vehicle in that person or in the person who has authorized
45 him to use and operate it, or registration certificate or other
46 evidence of registration, besides plates, issued by the state or
47 country or department thereof to that person, or to the person who

1 has authorized him to use and operate the motor vehicle, evidencing
2 the registration of the motor vehicle in that state or country.

3 When a motor vehicle is in the possession of a garage keeper,
4 motor vehicle dealer, both new and used, or motor vehicle service
5 station in this State, the production of a writing signed by the
6 person delivering possession of the motor vehicle to the garage
7 keeper, dealer or service station, stating that the person is the owner
8 or entitled to the possession of the motor vehicle and has title
9 papers or the registration certificate therefor, shall be deemed a
10 compliance with this section insofar as the garage keeper, dealer
11 and service station are concerned. In the case of a licensed motor
12 vehicle dealer, the production of a writing signed by the person or
13 persons delivering possession of the motor vehicle to the dealer,
14 assigning to that dealer the right to title or possession or both of and
15 to the vehicle, or in the case of a new vehicle, a copy of the
16 manufacturer's certificate of origin, shall constitute compliance
17 with this section.¹

18 (cf: P.L.1990, c.115, s.5)

19

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

21 39:10-8. When a new motor vehicle is delivered in this State by
22 the manufacturer to his agent or a dealer, or a person purchasing
23 directly from the manufacturer, the manufacturer shall execute and
24 deliver to his agent or a dealer, or a person purchasing directly from
25 the manufacturer, a certificate of origin in the form prescribed by
26 the director of motor vehicles, and no person shall bring into this
27 State any new motor vehicle unless he has in his possession the
28 certificate of origin as prescribed by the director. The certificate of
29 origin shall contain the manufacturer's vehicle identification
30 number and the motor number when used of the motor vehicle sold,
31 name of the manufacturer, the manufacturer's shipping weight, a
32 general description of the body, if any, the type and model and the
33 gross vehicle weight rating.

34 When a new motor vehicle is sold in this State, the manufacturer,
35 his agent or a dealer shall execute and deliver to the purchaser an
36 assignment of the certificate of origin, with the genuine names and
37 business or residence addresses of both stated thereon, and certified
38 to have been executed with full knowledge of the contents and with
39 the consent of both purchaser and seller. If, in connection with such
40 sale, a security interest is taken or retained by the seller to secure all
41 or a part of the purchase price of the motor vehicle, or is taken by a
42 person who by making an advance or incurring an obligation gives
43 value to enable the purchaser to acquire rights in the motor vehicle,
44 [the] the original certificate of origin need not be delivered to the
45 buyer at time of sale, and the original certificate of origin, with the
46 name and business address of the secured party noted, may be
47 delivered directly to the Motor Vehicle Commission for issuance of
48 a certificate of title in the name of the purchaser. The name and the

1 business or residence address of the secured party or his assignee
2 shall be noted on the manufacturer's certificate of origin. Nothing
3 in this section shall apply to security interests in motor vehicles
4 which constitute inventory held for sale, but such interests shall be
5 subject to chapter 9 of Title 12A of the New Jersey Statutes.¹

6 (cf: P.L. 1990, c.115, s.6)

7
8 ¹23. R.S.39:10-9 is amended to read as follows:

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

39 (cf: P.L.1962, c.193, s.2)

40
41 ¹24. R.S.39:10-19 is amended to read as follows:

42 39:10-19. No person shall engage in the business of buying,
43 selling or dealing in motor vehicles in this State, nor shall a person
44 engage in activity that would qualify the person as a leasing dealer,
45 as defined in section 2 of P.L.1994, c.190 (C.56:12-61), unless: a.
46 **[he]** the person is a licensed real estate broker acting as an agent or
47 broker in the sale of mobile homes without their own motor power

1 other than recreation vehicles as defined in section 3 of P.L.1990,
2 c.103 (C.39:3-10.11), or manufactured homes as defined in section
3 3 of P.L.1983, c.400 (C.54:4-1.4); or b. **【he】** the person is
4 authorized to do so under the provisions of this chapter. The
5 **【director】** chief administrator may, upon application in such form
6 as **【he】** the chief administrator prescribes, license any proper
7 person as such dealer or leasing dealer. A licensed real estate
8 broker shall be entitled to act as an agent or broker in the sale of a
9 mobile or manufactured home as defined in subsection a. of this
10 section without obtaining a license from the **【director】** chief
11 administrator. For the purposes of this chapter, a "licensed real
12 estate broker" means a real estate broker licensed by the New Jersey
13 Real Estate Commission pursuant to the provisions of chapter 15 of
14 Title 45 of the Revised Statutes. Any sale or transfer of a mobile or
15 manufactured home, in which a licensed real estate broker acts as a
16 broker or agent pursuant to this section, which sale or transfer is
17 subject to any other requirements of R.S.39:10-1 et seq., shall
18 comply with all of those requirements. No person who has been
19 convicted of a crime, arising out of fraud or misrepresentation in the
20 sale, leasing or financing of a motor vehicle, shall be eligible to
21 receive a license. For the purposes of this section, each applicant
22 for a license shall submit to the **【director】** chief administrator the
23 applicant's name, address, fingerprints, and written consent for a
24 criminal history record background check to be performed. The
25 **【director】** chief administrator is hereby authorized to exchange
26 fingerprint data with and receive criminal history record
27 information from the State Bureau of Identification in the Division
28 of State Police and the Federal Bureau of Investigation consistent
29 with applicable State and federal laws, rules, and regulations, for
30 purposes of facilitating determinations concerning licensure
31 eligibility. The applicant shall bear the cost for the criminal history
32 record background check, including all costs of administering and
33 processing the check. The Division of State Police shall promptly
34 notify the **【director】** chief administrator in the event a current
35 holder of a license or prospective applicant, who was the subject of
36 a criminal history record background check pursuant to this section,
37 is arrested for a crime or offense in this State after the date the
38 background check was performed. Each applicant for a license
39 shall at the time such license is issued have established and
40 maintained, or by **【said】** that application shall agree to establish
41 and maintain, within 90 days after the issuance thereof, a place of
42 business consisting of a permanent building not less than 1,000
43 square feet in floor space located in the State of New Jersey to be
44 used principally for the servicing and display of motor vehicles with
45 such equipment installed therein as shall be requisite for the
46 servicing of motor vehicles in such manner as to make them comply
47 with the laws of this State and with any rules and regulations made

1 by the ~~【director of motor vehicles】~~ board governing the equipment,
2 use, and operation of motor vehicles within the State. However, a
3 leasing dealer, who is not engaged in the business of buying,
4 selling, or dealing in motor vehicles in the State, shall not be
5 required to maintain a place of business with floor space available
6 for the servicing or display of motor vehicles or to have an exterior
7 sign at the lessor's place of business. A license fee of ~~【\$100】~~ \$200
8 shall be paid by an applicant upon ~~【his】~~ the applicant's initial
9 application for a license. The ~~【director】~~ chief administrator may
10 renew an applicant's license ~~【from year to year,】~~ upon application
11 for renewal on a form prescribed by the ~~【director】~~ chief
12 administrator and accompanied ~~【each year】~~ by a renewal fee of
13 ~~【\$100】~~ \$200. Every license shall expire ~~【on March 31 of each year~~
14 ~~terminating the period for】~~ 24 months from the date on which it is
15 issued. ~~【On and after February 1 of each year the director shall~~
16 ~~issue licenses for the following yearly period to expire on March 31~~
17 ~~of the following year】~~ The chief administrator may, at the chief
18 administrator's discretion and for good cause shown, extend an
19 applicant's license for an additional period not to exceed 12 months
20 from the date on which it is scheduled to expire. The chief
21 administrator may, at the chief administrator's discretion and for
22 good cause shown, issue a license which shall expire on a date fixed
23 by the chief administrator. The fee for licenses with an expiration
24 date fixed by the chief administrator shall be fixed by the chief
25 administrator in an amount proportionately less or greater than the
26 fee established herein.¹

27 For the purposes of this section, a leasing dealer or an assignee
28 of a leasing dealer whose leasing activities are limited to buying
29 motor vehicles for the purpose of leasing them and selling motor
30 vehicles at the termination of a lease shall not be deemed to be
31 engaged in the business of buying, selling, or dealing in motor
32 vehicles in this State.¹

33 (cf: P.L.2003, c.199, s.22)

34

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

37 1. As used in this act:

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

- 1 a. An off-site display of vehicles at which a recreational
2 vehicle or used motor vehicle dealer has no sales personnel present;
3 or
4 b. The sale of a vehicle at an auction at which only wholesale
5 purchases are permitted.
6 c. The use of telephones, telephone call-forwarding, email,
7 internet websites or other internet communications which allow a
8 licensed dealer or dealership employee to communicate with
9 customers while either the customer or the dealer or employee
10 thereof is not present at the licensed physical location of the
11 dealership, provided the contract for the sale of a vehicle is
12 finalized and the sale transaction completed at the licensed location.

13 "Sponsoring organization" means:

- 14 a. a credit union, automobile club, or other such not for profit
15 organization or entity that makes the opportunity to attend and
16 purchase a motor vehicle at an off-site sale available to its
17 members; or
18 b. a trade show coordinator, or other such organization, entity,
19 or individual that makes the opportunity to attend and purchase a
20 recreational vehicle at an off-site sale available to ticketed
21 individuals.¹

22 (cf: P.L.2005, c.351, s.1)

23

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

25 39:10-20. The **[director]** chief administrator may impose a fine
26 not to exceed \$500 for a first offense and \$1,000 for any subsequent
27 offense upon the holder of a license for a violation of any provision
28 of this chapter. The board is authorized to adopt rules and
29 regulations, in accordance with the "Administrative Procedure Act,"
30 P.L.1968, c.410 (C.52:14B-1 et seq.), implementing the provisions
31 of this chapter and authorizing the chief administrator to impose
32 finances for the violation of these rules and regulations. The chief
33 administrator may suspend for a period less than the unexpired term
34 of a license or revoke a license, after hearing, for a violation of any
35 provision of this chapter, or for a violation of the rules and
36 regulations promulgated pursuant thereto, or upon the final
37 conviction of the licensee of a crime, arising out of fraud or
38 misrepresentation in the sale, leasing or financing of a motor
39 vehicle, or upon proof of the failure of a licensee to make payment
40 of the amount of any final judgment, rendered by a court of
41 competent jurisdiction against such licensee and founded upon a
42 claim arising out of fraud or misrepresentation in the sale or leasing
43 of a motor vehicle, within 90 days after the same is finally entered,
44 or for final conviction of the licensee for violating any provision of
45 chapter 171 of Title 2A or of any supplement thereof (Observance
46 of Sabbath Days). The clerk of the court in which any conviction is
47 rendered, or the court where it has no clerk, shall forward to the
48 **[director]** chief administrator, immediately upon the entry thereof,

1 a certified copy of the conviction or a transcript thereof. The clerk
2 of the court in which any judgment founded upon fraud or
3 misrepresentation is rendered, or the court where it has no clerk,
4 shall forward to the **【director】** chief administrator, immediately
5 after the expiration of the 90 days, a certified copy of the judgment,
6 or a transcript thereof, showing it to have been unsatisfied more
7 than 90 days after it became final. The **【director】** chief
8 administrator shall, before suspending or revoking the license, and
9 at least 10 days prior to the date set for the hearing, notify the
10 holder of the license, in writing, of any charges made, and shall
11 afford him an opportunity to be heard in person or by counsel. The
12 written notice may be served either personally or by registered mail
13 addressed to the last-known address of the licensee. The **【director】**
14 chief administrator may subpoena and bring before **【him】** the chief
15 administrator any person in this State, or take testimony by
16 deposition, in the same manner as prescribed by law in judicial
17 proceedings in the courts of this State, and shall also issue and
18 deliver to the dealer such subpoenas as are requested by **【him】** the
19 chief administrator. The Appellate Division of the Superior Court
20 shall have power to review, by an appeal in lieu of prerogative writ
21 taken by an aggrieved person, a final determination of the
22 **【director】** chief administrator.

23 Any fine imposed and collected pursuant to this section shall be
24 remitted to the commission and used to defray the costs of the
25 commission.¹

26 (cf: P.L.1994, c.190, s.10)

27

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

29 39:10-22. The **【director】** chief administrator may prepare and
30 prescribe any or all forms necessary for the proper administration of
31 this chapter. The **【director】** chief administrator or his agent may
32 seize and take possession of any certificate of ownership or other
33 title papers to which the **【director】** chief administrator may be
34 entitled, for which a person is under duty to return to the **【director】**
35 chief administrator, from any person or place in this State, with all
36 the rights, privileges and immunities conferred by law on an officer
37 executing a writ of replevin.

38 A licensed dealer shall keep and store all required forms, papers,
39 and records as the Motor Vehicle Commission may by regulation
40 require at the licensed premises. In the event a licensee operates
41 multiple licensed dealerships under common ownership or control,
42 such forms, papers, and records may be stored at a centralized
43 record-keeping facility.¹

44 (cf: P.L.1983, c.403, s.33)

45

46 ¹【15. This act shall take effect immediately】 28. Sections 1
47 through 18, 20, 21, 22, 23, 25, 26, 27 and this section of this act

1 shall take effect on the 30th day after the date of enactment, and the
2 remainder of the act shall take effect on the 180th day after the date
3 of enactment, but the commission may take such anticipatory
4 administrative action in advance as shall be necessary for the
5 implementation of this act¹.

6

7

8

9

10 Revises organization and certain functions of Motor Vehicle
11 Commission.

ASSEMBLY, No. 4338

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JUNE 11, 2007

Sponsored by:

Assemblyman JOHN S. WISNIEWSKI

District 19 (Middlesex)

Assemblywoman BONNIE WATSON COLEMAN

District 15 (Mercer)

SYNOPSIS

Make various changes to organization of Motor Vehicle Commission.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/22/2007)

1 AN ACT concerning the New Jersey Motor Vehicle Commission and
2 amending P.L.2003, c.13.

3

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

6

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

9 3. As used in this act:

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

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

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

19 "Chair" means the chair of the **[commission]** board.

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

22 "Commission" means the New Jersey Motor Vehicle
23 Commission established and created by section 4 of this act.

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

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

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

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

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

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

41 (cf: P.L.2003, c.13, s.3)

42

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

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.

1 12. a. **[The commission]** Except as otherwise provided by law,
2 the commission shall be governed by a board which shall consist of
3 the following eight members:

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

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

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

22 Notwithstanding the provisions of this section to the contrary,
23 the person in office as the Director of the Division of Motor
24 Vehicles in the Department of Transportation on the effective date
25 of this section shall be the first Chair of the commission without the
26 further requirement of the advice and consent of the Senate and
27 shall also be the first Chief Administrator of the commission~~];~~

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

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

44 b. Initial appointments of public members to the **[commission]**
45 board shall be for terms as follows: one member for four years, one
46 member for three years, one member for two years, and one
47 member for one year. After the initial appointments, all public

1 members shall be appointed for terms of four years; and may be
2 appointed for any number of successive terms. A member's term
3 shall be deemed to commence on January 1 of the year in which the
4 member is appointed. The **【commission】 board** may elect a
5 secretary and a treasurer, who need not be members, and the same
6 person may be elected to serve both as secretary and treasurer.

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

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

18 e. A vacancy in the membership of the **【commission】 board**
19 occurring other than by expiration of term shall be filled in the same
20 manner as the original appointment, but for the unexpired term
21 only.

22 (cf: P.L.2003, c.13, s.12)

23

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

26 13. a. In addition to any powers and duties conferred upon it
27 elsewhere in this act, the **【commission】 board** shall be authorized
28 to:

29 (1) Make, amend and repeal bylaws not inconsistent with State
30 and federal law;

31 (2) Adopt an official seal;

32 (3) Maintain an office at such place or places within the State as
33 it may designate;

34 (4) Apply for and accept grants from the State or federal
35 government, or any agency thereof, or grants, gifts or other
36 contributions from any foundation, corporation, association or
37 individual, or any private source, and comply with the terms,
38 conditions and limitations thereof, as necessary and proper to carry
39 out the purposes of this act;

40 (5) Delegate to the administrator and any other officers of the
41 commission such powers and duties as necessary and proper to
42 carry out the purposes of this act;

43 (6) Operate, lease, license or contract in such manner as to
44 produce revenue for the commission, as provided in this act;

45 (7) Accept and use any funds available to the commission;

1 (8) Enter into agreements or contracts to pay for goods or
2 services rendered from any public or private entity, and receive
3 payment for services rendered to any public or private entity; and

4 (9) Enter into agreements or contracts, execute any and all
5 instruments, and do and perform acts or things necessary,
6 convenient or desirable for the purposes of the commission, or to
7 carry out any power expressly or implicitly given in this act.

8 b. The **【commission】** board is further authorized to:

9 (1) Review and approve a statement of the vision, mission, and
10 goals of the commission, as submitted by the administrator;

11 (2) Review and approve the strategic business plan of the
12 commission which shall include the commission's long-term
13 objectives, policies, and programs, including a facilities
14 improvement and management plan and a table of organization, as
15 submitted by the administrator;

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

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

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

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

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

40 c. Except as provided in this section and section 21 of this act,
41 all administrative functions, powers and duties of the commission
42 may be exercised by the administrator and any reference to the
43 commission in any law, rule or regulation may for this purpose be
44 deemed to refer to the administrator.

45 (cf: P.L.2003, c.13, s.13)

46

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

1 14. The **【commission】** board shall elect annually, by a majority
2 of the full membership of the **【commission】** board, one of its
3 members, other than the Chair, to serve as Vice-Chair for the
4 ensuing year. The Vice-Chair shall hold office until January 1 next
5 ensuing. The Vice-Chair, acting in the capacity of presiding
6 officer, shall carry out all of the responsibilities of the Chair of the
7 **【commission】** board during the Chair's absence, disqualification, or
8 inability to serve.
9 (cf: P.L.2003, c.13, s.14)

10
11 5. Section 15 of P.L.2003, c.13 (C.39:2A-15) is amended to read
12 as follows:

13 15. Members other than those serving ex officio shall serve
14 without compensation, but the **【commission】** board shall reimburse
15 **【commission】** board members for actual expenses necessarily
16 incurred in the discharge of their duties.
17 (cf: P.L.2003, c.13, s.15)

18
19 6. Section 16 of P.L.2003, c.13 (C.39:2A-16) is amended to read
20 as follows:

21 16. a. The **【commission】** board shall meet **【monthly】** every
22 other month or at more frequent times at the discretion of the Chair
23 or as a majority of the **【commission】** board shall decide. Meetings
24 of the **【commission】** board shall be held at such times and places as
25 the Chair may deem necessary and convenient.

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

28 c. Any other law, rule or regulation to the contrary
29 notwithstanding, the **【commission】** board shall take all necessary
30 steps to ensure that all interested persons are given adequate notice
31 of **【commission】** board meetings and the agenda of such meetings,
32 through the utilization of media engaged in the dissemination of
33 information.

34 d. The powers of the **【commission】** board shall be vested in the
35 members thereof. Four members of the **【commission】** board shall
36 constitute a quorum at any meeting. Actions may be taken and
37 motions and resolutions adopted by the **【commission】** board by the
38 affirmative vote of at least four voting members. No vacancy in the
39 membership of the **【commission】** board shall impair the right of a
40 quorum to exercise all the rights and perform all the duties of the
41 **【commission】** board.

42 (cf: P.L.2003, c.13, s.16)

43
44 7. Section 17 of P.L.2003, c.13 (C.39:2A-17) is amended to read
45 as follows:

1 17. A true copy of the minutes of every meeting of the
2 **【commission】 board** shall be delivered by and under the
3 certification of the secretary of the **【commission】 board**, without
4 delay, to the Governor. No action taken at the meeting shall have
5 force or effect until 10 days, Saturdays, Sundays, and public
6 holidays excepted, after the minutes are delivered, unless during the
7 10-day period the Governor approves the minutes, in which case the
8 action shall become effective upon approval. If, in that 10-day
9 period, the Governor returns copies of the minutes with a veto of
10 any action taken by the **【commission】 board** or any member, the
11 action shall be null and void and of no effect.

12 (cf: P.L.2003, c.13, s.17)

13

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

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

19 (cf: P.L.2003, c.13, s.18)

20

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

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

31 (cf: P.L.2003, c.13, s.19)

32

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

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

44 (cf: P.L.2003, c.13, s.21)

45

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

1 22. a. On or before ~~【September 30】~~ July 1 of each year, the
2 commission shall file with the Governor ~~【and】~~ , the presiding
3 officer of each House of the Legislature, and the Senate
4 Transportation Committee and the Assembly Transportation and
5 Public Works Committee, or their successors, a report setting forth
6 the operational, capital and financial expenditures of the previous
7 year, the operational, capital and financial plan, and the table of
8 organization and staffing plan, for the current year and a proposed
9 operational, capital and financial plan for the next ensuing year.
10 The report may include recommendations for revisions to fees or
11 service charges which the commission deems appropriate.

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

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

21 c. ~~【On or before September 30 and March 30 of each year, the~~
22 ~~commission shall file with the Governor and the presiding officer of~~
23 ~~each House of the Legislature a report providing an assessment of~~
24 ~~the quality of service provided by the commission and a description~~
25 ~~of any security improvements made by the commission in the prior~~
26 ~~six-month period and those anticipated in the current six-month~~
27 ~~period.~~

28 To the extent practicable, the report also shall include data
29 setting forth in detail the number of transactions annually
30 performed at each commission agency or facility and by other
31 means including, but not limited to, electronic transactions. This
32 portion of the report also shall disclose, to the extent practicable,
33 the average waiting time to process a transaction at each
34 commission agency or facility and, where applicable, through other
35 means. If the commission determines that it is not able to ascertain
36 these data for inclusion in the six-month report, the report shall set
37 forth the reasons the data could not be included and provide a date
38 by which the commission reasonably estimates that it will be able to
39 provide these data.

40 In addition, the report shall include the number of criminal
41 complaints filed against any commission employee or any other
42 person, in connection with commission related activity. Complaints
43 which are determined to be unfounded shall not be included. The
44 report shall set forth the various crimes and offenses for which
45 complaints were filed against any commission employee or in
46 connection with any commission activity. 】 The commission shall
47 also include in the report an assessment of the service provided by
48 the commission. The assessment shall include information or data

1 or both relating to security improvements, annual transactions
2 performed, customer wait times, and criminal complaints.

3 (cf: P.L.2003, c.13, s.22)

4

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

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

17 (cf: P.L.2003, c.13, s.23)

18

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

21 26. There are created within the commission five advisory
22 councils, which shall provide the ~~[commission]~~ board with advice,
23 technical expertise, information, guidance, and recommendations in
24 four general areas. The ~~[commission]~~ board shall designate the
25 appropriate State and local government representatives, interest
26 group representatives, technical experts, and constituent
27 representatives as appropriate to serve on the councils~~[],~~ with no
28 council having more than five members~~]~~. Federal government
29 representatives and representatives of national organizations shall
30 be asked to serve, and if willing, shall be designated by the
31 ~~[commission]~~ board to serve. All council members shall be
32 designated by ~~[commission]~~ board action and shall serve on
33 rotating terms so as to provide stability and continuity on each
34 council. The Chair, or the Chair's designee, shall serve on each
35 council. The councils shall meet and report to the ~~[commission]~~
36 ~~monthly, or]~~ board as frequently as the ~~[commission]~~ board
37 requests. The councils are as follows:

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

43 b. The Customer Service Advisory Council, which shall advise
44 the ~~[commission]~~ board regarding ~~[its]~~ the commission's policies,
45 operating practices, employee communications, regulations, and
46 standards in providing appropriate customer service. The council
47 shall: examine benchmarking performance and level of service

1 standards for the ~~Telephone~~ Contact Center; examine internal
2 communications to ensure consistency and systematic application;
3 make recommendations regarding marketing and the dissemination
4 of information to the public to re-establish a robust marketing and
5 public information program which informs and educates public
6 consumers; and advise on all aspects of customer service at the
7 commission.

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

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

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

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

34 (cf: P.LL.2003, c.13, s.26)

35
36 14. Section 28 of P.L.2003, c.13 (c.39:2A-28) is amended to
37 read as follows:

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

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

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

- 1 c. Appoint, remove and fix the compensation of subordinate
2 officers and other personnel employed by the commission in
3 accordance with the commission's table of organization, except as
4 herein otherwise specifically provided;
- 5 d. Appoint, remove, and fix the compensation and terms of
6 employment of the deputy administrator, who shall serve in the
7 State unclassified service, in accordance with the commission's
8 table of organization;
- 9 e. Organize and maintain an administrative office and employ
10 therein such secretarial, clerical and other assistants in the
11 commission as the internal operations of the commission may
12 require;
- 13 f. Formulate and adopt rules and regulations for the efficient
14 conduct of the work and general administration of the commission,
15 its officers and employees;
- 16 g. Prepare an annual budget, and submit it to the **[commission]**
17 board;
- 18 h. Prepare annually, a strategic business plan and submit it to
19 the **[commission]** board, including a facilities improvement and
20 management plan and a table of organization;
- 21 i. Institute or cause to be instituted such legal proceedings or
22 processes as may be necessary to properly enforce and give effect to
23 any of the powers or duties of the administrator;
- 24 j. Report as the Governor shall from time to time request or as
25 may be required by law;
- 26 k. Collect all fees, fines, penalties, surcharges, service charges
27 and other charges imposed by this act and the regulations issued
28 pursuant thereto or pursuant to law;
- 29 l. Develop and maintain a master list of all assets;
- 30 m. Oversee the implementation of the facilities improvement
31 and management plan, in consultation with the State Treasurer; and
- 32 n. Perform such other functions as may be prescribed in this act
33 or by any other law or by the **[commission]** board.

34 (cf: P.L.2003, c.13, s.28)

35

36 15. This act shall take effect immediately.

37

38

39

STATEMENT

40

41 This bill makes various changes in the organization and
42 operation of the New Jersey Motor Vehicle Commission. The bill
43 alters the current organizational structure of the commission by
44 establishing the current members of the commission as the "board"
45 of the commission with the function of governing the commission,
46 except as may be otherwise provided by law. Under current law,
47 the chief administrator of the commission has separate statutory

1 functions which would not be changed by this bill. The board
2 would no longer have to meet monthly but only every other month.

3 In its annual report made to the Governor and the Legislature,
4 the commission would now submit the report on July 1 of each year
5 and is given greater leeway in reporting its assessment of security
6 improvements, annual transactions, customer wait times, and
7 criminal complaints. In addition, the report would also be filed
8 with the Senate Transportation Committee and the Assembly
9 Transportation and Public Works Committee, or their successors.

10 Finally, the bill permits the chief administrator to create advisory
11 councils, in addition to the five advisory councils created in the
12 original 2003 law.

ASSEMBLY TRANSPORTATION AND PUBLIC WORKS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4338

STATE OF NEW JERSEY

DATED: JUNE 14, 2007

The Assembly Transportation and Public Works Committee reports favorably Assembly Bill No. 4338.

As reported, this bill makes various changes in the organization and operation of the New Jersey Motor Vehicle Commission. The bill alters 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, except as may be otherwise provided by law. Under current law, the chief administrator of the commission has separate statutory functions which would not be changed by this bill. The board would no longer have to meet monthly but only every other month.

With respect to its annual report made to the Governor and the Legislature, the commission would now submit the report on July 1 of each year and is given greater leeway in reporting its assessment of security improvements, annual transactions, customer wait times, and criminal complaints. In addition, the report would also be filed with the Senate Transportation Committee and the Assembly Transportation and Public Works Committee, or their successors.

Finally, the bill permits the chief administrator to create advisory councils, in addition to the five advisory councils created in the original 2003 law.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4338

STATE OF NEW JERSEY

DATED: DECEMBER 3, 2007

The Senate Transportation Committee reports favorably Assembly Bill No. 4338.

This bill makes various changes in the organization and operation of the New Jersey Motor Vehicle Commission. The bill alters 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, except as may be otherwise provided by law. Under current law, the chief administrator of the commission has separate statutory functions which would not be changed by this bill. The board would no longer have to meet monthly but only every other month.

With respect to its annual report made to the Governor and the Legislature, the commission would now submit the report on July 1 of each year and is given greater leeway in reporting its assessment of security improvements, annual transactions, customer wait times, and criminal complaints. In addition, the report would also be filed with the Senate Transportation Committee and the Assembly Transportation and Public Works Committee, or their successors.

Finally, the bill permits the chief administrator to create advisory councils, in addition to the five advisory councils created in the original 2003 law.

STATEMENT TO
ASSEMBLY, No. 4338

with Senate Floor Amendments
(Proposed By Senator SACCO)

ADOPTED: DECEMBER 17, 2007

These amendments make this bill identical to S65(1R) with proposed Assembly amendments. The amendments do the following:

- (1) Add a preamble.
- (2) Revise certain provisions of the bill pertaining to the Motor Vehicle Commission board and reporting provisions.
- (3) Permit the board of the commission to increase certain fees and surcharges by regulation, except for automobile and other vehicle registration fees and driver's license fees. The amendments provide for a number of factors which the board shall consider when increasing the fees and surcharges and also provide that only one regulatory increase in a fee or surcharge is permitted during a five-year period and that the increased amount shall not exceed the actual costs to the State of administering the relevant program or permit for which the fee is charged. All increases in a fee or surcharge after the first increase are also not to exceed the cumulative annual percentage increase in the Consumer Price Index for the five fiscal years prior to the proposed increase. All increases in fees or surcharges imposed by regulation proposed to be adopted in a calendar year are to be consolidated in one single regulatory proposal in that calendar year.
- (4) Remove the "sunset" provision from the statute imposing the \$7 security surcharge on new and renewal vehicle registrations.
- (5) Remove the provision that there must be at least one motor vehicle agent per 300,000 inhabitants.
- (6) Revise provisions of the law concerning motor vehicle dealers.
- (7) Delay the effective date of the bill and permit the Motor Vehicle Commission to take anticipatory administrative action prior to the effective date.

SENATE, No. 65

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED NOVEMBER 8, 2007

Sponsored by:

Senator NICHOLAS J. SACCO

District 32 (Bergen and Hudson)

SYNOPSIS

Revises organization and certain functions of Motor Vehicle Commission.

CURRENT VERSION OF TEXT

As introduced.



S65 SACCO

2

1 AN ACT concerning the New Jersey Motor Vehicle Commission and
2 amending P.L.2003, c.13, R.S.39:3-3, R.S.39:10-19, and
3 R.S.39:10-20.

4
5 WHEREAS, In 2003, motor vehicle services in this State underwent a
6 major transformation as the New Jersey Motor Vehicle
7 Commission was created to replace the Division of Motor Vehicles
8 as the agency with responsibility for issuing and certifying motor
9 vehicle driver's licenses, ensuring the proper registration of motor
10 vehicles, and for conducting safety and emissions inspections of
11 motor vehicles; and

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

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

21 WHEREAS, To advance these efforts, the commission has
22 recommended making certain changes to the current
23 organizational structure of the commission by establishing the
24 current members of the commission as the "board" of the
25 commission with the function of governing the commission; and

26 WHEREAS, The commission released the "MVC Forward" report in
27 2007, in which it identified the areas of the commission's
28 operations that require improvement and created a roadmap for
29 the commission's future; and

30 WHEREAS, It is therefore in the public interest for the Legislature to
31 make certain improvements recommended by the commission
32 and in the MVC Forward report to support the commission in its
33 mission to continue to improve its services and operations to
34 better serve the residents of this State; now, therefore,
35

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

38
39 1. Section 3 of P.L.2003, c.13 (C.39:2A-3) is amended to read
40 as follows:

41 3. As used in this act:

42 "Agency" or "motor vehicle agency" means that enterprise run
43 by an agent designated by the commission to be the commission's
44 agent for the registering of motor vehicles, issuing registration

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.

S65 SACCO

1 certificates and licensing of drivers, as provided in R.S.39:3-3 and
2 R.S.39:10-25.

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

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

7 "Chair" means the chair of the **[commission]** board.

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

10 "Commission" means the New Jersey Motor Vehicle
11 Commission established and created by section 4 of this act.

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

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

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

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

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

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

29 (cf: P.L.2003, c.13, s.3)

30

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

33 12. a. **[The commission]** Except as otherwise provided by law,
34 the commission shall be governed by a board which shall consist of
35 the following eight members:

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

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

40 (3) The Chair of the **[commission]** board who shall be a
41 nonvoting member. The Chair shall be appointed by the Governor
42 with the advice and consent of the Senate. The Chair shall serve at
43 the pleasure of the Governor during the Governor's term of office,
44 and shall receive such salary as shall be fixed by the Governor
45 which is not greater than the salary of a cabinet-level official of the
46 State. Prior to nomination, the Governor shall cause the Attorney
47 General to conduct an inquiry into the nominee's background,
48 financial stability, integrity and responsibility and reputation for
49 good character, honesty and integrity. The person appointed and

1 serving as Chair shall also be Chief Administrator of the
2 commission and shall devote full time to the performance of **[his]**
3 the duties of that position. The Chief Administrator shall be in the
4 State unclassified service~~].~~

5 Notwithstanding the provisions of this section to the contrary,
6 the person in office as the Director of the Division of Motor
7 Vehicles in the Department of Transportation on the effective date
8 of this section shall be the first Chair of the commission without the
9 further requirement of the advice and consent of the Senate and
10 shall also be the first Chief Administrator of the commission~~];~~

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

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

27 b. **[Initial appointments]** Appointments of public members to
28 the **[commission]** board shall be for terms of four years, except that
29 in filling each vacancy, among the several public members, that
30 first arises by expiration of the respective terms of those members
31 following the effective date of P.L. _____, c. _____ (C. _____) (pending
32 before the Legislature as this bill), appointments shall be for terms
33 as follows: one member for four years, one member for three years,
34 one member for two years, and one member for one year. **[After**
35 **the initial appointments, all public members shall be appointed for**
36 **terms of four years; and]** A public member may be appointed for
37 any number of successive terms. **[A member's term shall be**
38 **deemed to commence on January 1 of the year in which the member**
39 **is appointed.]** The **[commission]** board may elect a secretary and a
40 treasurer, who need not be members, and the same person may be
41 elected to serve both as secretary and treasurer.

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

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

5 e. A vacancy in the membership of the **[commission]** board
6 occurring other than by expiration of term shall be filled in the same
7 manner as the original appointment, but for the unexpired term
8 only.

9 (cf: P.L.2003, c.13, s.12)

10

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

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

16 (1) Make, amend and repeal bylaws not inconsistent with State
17 and federal law;

18 (2) Adopt an official seal;

19 (3) Maintain an office at such place or places within the State as
20 it may designate;

21 (4) Apply for and accept grants from the State or federal
22 government, or any agency thereof, or grants, gifts or other
23 contributions from any foundation, corporation, association or
24 individual, or any private source, and comply with the terms,
25 conditions and limitations thereof, as necessary and proper to carry
26 out the purposes of this act;

27 (5) Delegate to the administrator and any other officers of the
28 commission such powers and duties as necessary and proper to
29 carry out the purposes of this act;

30 (6) Operate, lease, license or contract in such manner as to
31 produce revenue for the commission, as provided in this act;

32 (7) Accept and use any funds available to the commission;

33 (8) Enter into agreements or contracts to pay for goods from and
34 services rendered **[from]** by any public or private entity, and
35 receive payment for services rendered to any public or private
36 entity; and

37 (9) Enter into agreements or contracts, execute any and all
38 instruments, and do and perform acts or things necessary,
39 convenient or desirable for the purposes of the commission, or to
40 carry out any power expressly or implicitly given in this act.

41 b. The **[commission]** board is further authorized to:

42 (1) Review and approve a statement of the vision, mission, and
43 goals of the commission, as submitted by the administrator;

44 (2) Review and approve the strategic business plan of the
45 commission which shall include the commission's long-term
46 objectives, policies, and programs, including a facilities
47 improvement and management plan and a table of organization, as
48 submitted by the administrator;

S65 SACCO

6

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

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

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

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

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

25 c. Except as provided in this section and section 21 of this act,
26 all administrative functions, powers and duties of the commission
27 may be exercised by the administrator and any reference to the
28 commission in any law, rule or regulation may for this purpose be
29 deemed to refer to the administrator.

30 (cf: P.L.2003, c.13, s.13)

31

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

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

42 (cf: P.L.2003, c.13, s.14)

43

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

46 15. Members other than those serving ex officio shall serve
47 without compensation, but the **[commission]** board shall reimburse

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7

1 **[commission]** board members for actual expenses necessarily
2 incurred in the discharge of their duties.
3 (cf: P.L.2003, c.13, s.15)

4

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

7 16. a. The **[commission]** board shall meet **[monthly]** every
8 other month or at more frequent times at the discretion of the Chair
9 or as a majority of the **[commission]** board shall decide. Meetings
10 of the **[commission]** board shall be held at such times and places as
11 the Chair may deem necessary and convenient.

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

14 c. Any other law, rule or regulation to the contrary
15 notwithstanding, the **[commission]** board shall take all necessary
16 steps to ensure that all interested persons are given adequate notice
17 of **[commission]** board meetings and the agenda of such meetings,
18 through the utilization of media engaged in the dissemination of
19 information.

20 d. The powers of the **[commission]** board shall be vested in the
21 members thereof. Four members of the **[commission]** board shall
22 constitute a quorum at any meeting. Actions may be taken and
23 motions and resolutions adopted by the **[commission]** board by the
24 affirmative vote of at least four voting members. No vacancy in the
25 membership of the **[commission]** board shall impair the right of a
26 quorum to exercise all the rights and perform all the duties of the
27 **[commission]** board.

28 (cf: P.L.2003, c.13, s.16)

29

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

32 17. A true copy of the minutes of every meeting of the
33 **[commission]** board shall be delivered by and under the
34 certification of the secretary of the **[commission]** board, without
35 delay, to the Governor. No action taken at the meeting shall have
36 force or effect until 10 days, Saturdays, Sundays, and public
37 holidays excepted, after the minutes are delivered, unless during the
38 10-day period the Governor approves the minutes, in which case the
39 action shall become effective upon approval. If, in that 10-day
40 period, the Governor returns copies of the minutes with a veto of
41 any action taken by the **[commission]** board or any member, the
42 action shall be null and void and of no effect.

43 (cf: P.L.2003, c.13, s.17)

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8

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

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

6 (cf: P.L.2003, c.13, s.18)

7

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

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

18 (cf: P.L.2003, c.13, s.19)

19

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

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

31 (cf: P.L.2003, c.13, s.21)

32

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

35 22. a. On or before **【September 30】** January 31 of each year,
36 the commission shall file with the Governor **【and】** , the presiding
37 officer of each House of the Legislature, and the Senate
38 Transportation Committee and the Assembly Transportation and
39 Public Works Committee, or their successors, a report setting forth
40 the operational, capital, and financial expenditures of the previous
41 year, and the operational, capital, and financial plan, and the table
42 of organization and staffing plan, for the current year **【and** a
43 proposed operational, capital and financial plan for the next ensuing
44 year. The report may include recommendations for revisions to fees
45 or service charges which the commission deems appropriate**】**.

46 The commission shall include in this report the latest audited
47 annual financial statement. In this statement, the commission shall
48 disclose all revenues remitted to the commission and provide a

1 detailed listing of the various categories in which it receives
2 revenue, including any surplus revenue from the prior year.

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

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

12 c. [On or before September 30 and March 30 of each year, the
13 commission shall file with the Governor and the presiding officer of
14 each House of the Legislature a report providing an assessment of
15 the quality of service provided by the commission and a description
16 of any security improvements made by the commission in the prior
17 six-month period and those anticipated in the current six-month
18 period.

19 To the extent practicable, the report also shall include data
20 setting forth in detail the number of transactions annually
21 performed at each commission agency or facility and by other
22 means including, but not limited to, electronic transactions. This
23 portion of the report also shall disclose, to the extent practicable,
24 the average waiting time to process a transaction at each
25 commission agency or facility and, where applicable, through other
26 means. If the commission determines that it is not able to ascertain
27 these data for inclusion in the six-month report, the report shall set
28 forth the reasons the data could not be included and provide a date
29 by which the commission reasonably estimates that it will be able to
30 provide these data.

31 In addition, the report shall include the number of criminal
32 complaints filed against any commission employee or any other
33 person, in connection with commission related activity. Complaints
34 which are determined to be unfounded shall not be included. The
35 report shall set forth the various crimes and offenses for which
36 complaints were filed against any commission employee or in
37 connection with any commission activity.] (Deleted by
38 amendment, P.L. , c.) (pending before the Legislature as this
39 bill.

40 (cf: P.L.2003, c.13, s.22)

41

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

44 23. Members[,] of the board and officers and employees of the
45 commission shall not be liable in an action for damages to any
46 person for any action taken or recommendation made within the
47 scope of their employment as a member, officer or employee if the
48 action or recommendation was taken or made without malice. The

1 members of the **[commission] board** shall be indemnified and their
2 defense of any action provided for in the same manner and to the
3 same extent as employees of the State under the "New Jersey Tort
4 Claims Act," P.L.1972, c.45 (N.J.S.59:1-1 et seq.) on account of
5 acts or omissions in the scope of their employment.

6 (cf: P.L.2003, c.13, s.23)

7
8 13. Section 26 of P.L.2003, c.13 (C.39:2A-26) is amended to
9 read as follows:

10 26. There are created within the commission five advisory
11 councils, which shall provide the **[commission] board** with advice,
12 technical expertise, information, guidance, and recommendations in
13 four general areas. The **[commission] board** shall designate the
14 appropriate State and local government representatives, interest
15 group representatives, technical experts, and constituent
16 representatives as appropriate to serve on the councils[, with no
17 council having more than five members]. Federal government
18 representatives and representatives of national organizations shall
19 be asked to serve, and if willing, shall be designated by the
20 **[commission] board** to serve. All council members shall be
21 designated by **[commission] board** action and shall serve on
22 rotating terms so as to provide stability and continuity on each
23 council. The Chair, or the Chair's designee, shall serve on each
24 council. The councils shall meet and report to the **[commission]**
25 **monthly, or] board** as frequently as the **[commission] board**
26 requests. The councils are as follows:

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

32 b. The Customer Service Advisory Council, which shall advise
33 the **[commission] board** regarding **[its] the commission's** policies,
34 operating practices, employee communications, regulations, and
35 standards in providing appropriate customer service. The council
36 shall: examine benchmarking performance and level of service
37 standards for the **[Telephone] Contact Center**; examine internal
38 communications to ensure consistency and systematic application;
39 make recommendations regarding marketing and the dissemination
40 of information to the public to re-establish a robust marketing and
41 public information program which informs and educates public
42 consumers; and advise on all aspects of customer service at the
43 commission.

44 c. The Security and Privacy Advisory Council, which shall:
45 advise the **[commission] board** as to how to effectively maintain
46 **[its] the commission's** system and business processes in the
47 securest manner; help **[it] the board** to address **[its] the**

1 commission's most serious security breaches; advise as to new or
2 modified programs needed to achieve heightened security; and
3 recommend methods to curtail fraudulent and criminal activities
4 that present threats to the State's security as well as measures to
5 protect the privacy of driver information, including but not limited
6 to the Driver's Privacy Protection Act of 1994, Pub.L.103-322.

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

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

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

23 (cf: P.L.2003, c.13, s.26)

24

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

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

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

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

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

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

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

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

22 (cf: P.L.2003, c.13, s.28)

23

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

26 110. In addition to the vehicle registration fees imposed
27 pursuant to the provisions of chapters 3, 4, and 8 of Title 39 of the
28 Revised Statutes, the commission shall impose and collect an
29 additional \$7 for each new and renewal vehicle registration as a
30 security surcharge, which surcharge shall take effect on the
31 enactment of P.L.2003, c.13 (C.39:2A-1 et al.) **【and shall expire ten**
32 **years thereafter】**. The security surcharges collected pursuant to this
33 section shall be revenues of the commission and shall not be subject
34 to the calculation of proportional revenue remitted to the
35 commission pursuant to section 105 of P.L.2003, c.3 (C.39:2A-36).
36 The security surcharge shall not be imposed on the registration of
37 passenger vehicles registered to persons possessing a valid
38 handicapped person identification card issued pursuant to section 2
39 of P.L.1949, c.280 (C.39:4-205) or to persons aged 65 years of age
40 or older at the time of registration or registration renewal.
41 Revenues of the commission shall not be subject to appropriation as
42 direct State services by the Legislature. In addition, the revenues of
43 the commission shall not be restricted from use by the commission
44 in any manner except as provided by law. Revenues of the
45 commission may be used in the furtherance of any purpose of the
46 commission or as otherwise provided for in law.

47 (cf: P.L.2003, c.13, s.110)

48

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

2 39:3-3. A Motor Vehicle Agent (hereinafter "agent") shall
3 administer and ensure the efficient operations of a local commission
4 office. The **【commission】 board** shall designate at least one person
5 in each county **【for each 300,000 inhabitants or fraction thereof】** to
6 be its agent for the registering of motor vehicles, issuing
7 registration certificates and licensing of drivers, subject to the
8 requirements of this subtitle and to any rules and regulations the
9 **【commission】 board** imposes. The agent shall so act until **【his】 the**
10 **agent's** authority is revoked by the **【commission】 board**. All
11 moneys received by such agents for registrations and licenses
12 granted under the provisions of this chapter shall forthwith be
13 deposited as received with the State Treasurer. Notwithstanding
14 any provision of law to the contrary, all current agent contracts
15 shall remain in effect until their expiration. Until the agent contract
16 expires, the fee allowed the agent for registration certificates issued
17 by him and for every license granted by him shall be fixed by the
18 **【commission】 board** on the basis of the registration or license fees
19 collected by the agent. The **【commission】 board** may limit the fee
20 so paid to a maximum. Such fee shall be paid to the agent by the
21 State Treasurer upon the voucher of the commission in the same
22 manner as other State expenses are paid until the agent contract
23 expires. At such time as the agent becomes a State employee, the
24 agent shall receive a salary as fixed by the administrator in
25 accordance with the commission table of organization. Future agent
26 appointments shall be in the State unclassified service and the
27 agents shall serve at the pleasure of the administrator. To determine
28 suitability for appointment, all agents shall undergo a background
29 check prior to appointment based upon an examination of State,
30 federal and financial records. No person shall be appointed as an
31 agent who has contributed \$1,000 or more to any gubernatorial or
32 State party committee in any one year during the five years
33 preceding appointment. All agents appointed pursuant to this
34 section shall be qualified by education and experience to administer
35 and ensure the efficient operation of a local commission office. As
36 used in this section, education and experience shall include a
37 background in law enforcement, security services, customer
38 relations or services; business administration, finance or
39 management; or public administration or finance.
40 (cf: P.L.2003, c. 13, s.43)

41
42 17. R.S.39:10-19 is amended to read as follows:

43 39:10-19. No person shall engage in the business of buying,
44 selling or dealing in motor vehicles in this State, nor shall a person
45 engage in activity that would qualify the person as a leasing dealer,
46 as defined in section 2 of P.L.1994, c.190 (C.56:12-61), unless: a.
47 **【he】 the person** is a licensed real estate broker acting as an agent or
48 broker in the sale of mobile homes without their own motor power

1 other than recreation vehicles as defined in section 3 of P.L.1990,
2 c.103 (C.39:3-10.11), or manufactured homes as defined in section
3 3 of P.L.1983, c.400 (C.54:4-1.4); or b. **【he】** the person is
4 authorized to do so under the provisions of this chapter. The
5 **【director】** chief administrator may, upon application in such form
6 as **【he】** the chief administrator prescribes, license any proper
7 person as such dealer or leasing dealer. A licensed real estate
8 broker shall be entitled to act as an agent or broker in the sale of a
9 mobile or manufactured home as defined in subsection a. of this
10 section without obtaining a license from the **【director】** chief
11 administrator. For the purposes of this chapter, a "licensed real
12 estate broker" means a real estate broker licensed by the New Jersey
13 Real Estate Commission pursuant to the provisions of chapter 15 of
14 Title 45 of the Revised Statutes. Any sale or transfer of a mobile or
15 manufactured home, in which a licensed real estate broker acts as a
16 broker or agent pursuant to this section, which sale or transfer is
17 subject to any other requirements of R.S.39:10-1 et seq., shall
18 comply with all of those requirements. No person who has been
19 convicted of a crime, arising out of fraud or misrepresentation in the
20 sale, leasing or financing of a motor vehicle, shall be eligible to
21 receive a license. For the purposes of this section, each applicant
22 for a license shall submit to the **【director】** chief administrator the
23 applicant's name, address, fingerprints, and written consent for a
24 criminal history record background check to be performed. The
25 **【director】** chief administrator is hereby authorized to exchange
26 fingerprint data with and receive criminal history record
27 information from the State Bureau of Identification in the Division
28 of State Police and the Federal Bureau of Investigation consistent
29 with applicable State and federal laws, rules, and regulations, for
30 purposes of facilitating determinations concerning licensure
31 eligibility. The applicant shall bear the cost for the criminal history
32 record background check, including all costs of administering and
33 processing the check. The Division of State Police shall promptly
34 notify the **【director】** chief administrator in the event a current
35 holder of a license or prospective applicant, who was the subject of
36 a criminal history record background check pursuant to this section,
37 is arrested for a crime or offense in this State after the date the
38 background check was performed. Each applicant for a license
39 shall at the time such license is issued have established and
40 maintained, or by **【said】** that application shall agree to establish
41 and maintain, within 90 days after the issuance thereof, a place of
42 business consisting of a permanent building not less than 1,000
43 square feet in floor space located in the State of New Jersey to be
44 used principally for the servicing and display of motor vehicles with
45 such equipment installed therein as shall be requisite for the
46 servicing of motor vehicles in such manner as to make them comply
47 with the laws of this State and with any rules and regulations made
48 by the **【director of motor vehicles】** board governing the equipment,

1 use, and operation of motor vehicles within the State. However, a
2 leasing dealer, who is not engaged in the business of buying,
3 selling, or dealing in motor vehicles in the State, shall not be
4 required to maintain a place of business with floor space available
5 for the servicing or display of motor vehicles or to have an exterior
6 sign at the lessor's place of business. A license fee of \$100 shall be
7 paid by an applicant upon ~~his~~ the applicant's initial application
8 for a license. The ~~director~~ chief administrator may renew an
9 applicant's license from year to year, upon application for renewal
10 on a form prescribed by the ~~director~~ chief administrator and
11 accompanied each year by a renewal fee of \$100. Every license
12 shall expire ~~on March 31 of each year terminating the period for~~
13 12 months from the date on which it is issued. ~~On and after~~
14 February 1 of each year the director shall issue licenses for the
15 following yearly period to expire on March 31 of the following
16 year] The chief administrator may, at the chief administrator's
17 discretion and for good cause shown, extend an applicant's license
18 for an additional period not to exceed 12 months from the date on
19 which it is scheduled to expire.

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

26 (cf: P.L.2003, c.199, s.22)

27

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

29 39:10-20. The ~~director~~ chief administrator may impose a fine
30 not to exceed \$500 for a first offense and \$1,000 for any subsequent
31 offense upon the holder of a license for a violation of any provision
32 of this chapter. The board is authorized to adopt rules and
33 regulations, in accordance with the "Administrative Procedure Act,"
34 P.L.1968, c.410 (C.52:14B-1 et seq.), implementing the provisions
35 of this chapter and authorizing the chief administrator to impose
36 finances for the violation of these rules and regulations. The chief
37 administrator may suspend for a period less than the unexpired term
38 of a license or revoke a license, after hearing, for a violation of any
39 provision of this chapter, or for a violation of the rules and
40 regulations promulgated pursuant thereto, or upon the final
41 conviction of the licensee of a crime, arising out of fraud or
42 misrepresentation in the sale, leasing or financing of a motor
43 vehicle, or upon proof of the failure of a licensee to make payment
44 of the amount of any final judgment, rendered by a court of
45 competent jurisdiction against such licensee and founded upon a
46 claim arising out of fraud or misrepresentation in the sale or leasing
47 of a motor vehicle, within 90 days after the same is finally entered,
48 or for final conviction of the licensee for violating any provision of

1 chapter 171 of Title 2A or of any supplement thereof (Observance
2 of Sabbath Days). The clerk of the court in which any conviction is
3 rendered, or the court where it has no clerk, shall forward to the
4 **【director】** chief administrator, immediately upon the entry thereof,
5 a certified copy of the conviction or a transcript thereof. The clerk
6 of the court in which any judgment founded upon fraud or
7 misrepresentation is rendered, or the court where it has no clerk,
8 shall forward to the **【director】** chief administrator, immediately
9 after the expiration of the 90 days, a certified copy of the judgment,
10 or a transcript thereof, showing it to have been unsatisfied more
11 than 90 days after it became final. The **【director】** chief
12 administrator shall, before suspending or revoking the license, and
13 at least 10 days prior to the date set for the hearing, notify the
14 holder of the license, in writing, of any charges made, and shall
15 afford him an opportunity to be heard in person or by counsel. The
16 written notice may be served either personally or by registered mail
17 addressed to the last-known address of the licensee. The **【director】**
18 chief administrator may subpoena and bring before **【him】** the chief
19 administrator any person in this State, or take testimony by
20 deposition, in the same manner as prescribed by law in judicial
21 proceedings in the courts of this State, and shall also issue and
22 deliver to the dealer such subpoenas as are requested by **【him】** the
23 chief administrator. The Appellate Division of the Superior Court
24 shall have power to review, by an appeal in lieu of prerogative writ
25 taken by an aggrieved person, a final determination of the
26 **【director】** chief administrator.

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

30 (cf: P.L.1994, c.190, s.10)

31

32 19. This act shall take effect on the 30th day after the date of
33 enactment, but the commission may take such anticipatory
34 administrative action in advance as shall be necessary for the
35 implementation of this act.

STATEMENT

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This bill makes various changes in the organization and operation of the New Jersey Motor Vehicle Commission (“the commission”) and implements certain recommendations of the commission’s “MVC Forward” report issued in 2007.

Specifically, this bill alters 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, except as may be otherwise provided by law. Under current law, the chief administrator of the commission has separate statutory functions which would not be changed by this bill. The board would no longer have to meet monthly but only every other month.

In its annual report made to the Governor and the Legislature, the commission would now submit the report on January 31 of each year and is given greater leeway in reporting its assessment of security improvements, annual transactions, customer wait times, and criminal complaints. In addition, the report would also be filed with the Senate Transportation Committee and the Assembly Transportation and Public Works Committee, or their successors.

The bill clarifies the manner in which appointments to the board are to be made. The bill permits the chief administrator to create advisory councils, in addition to the five advisory councils created in the original 2003 law creating the commission.

The bill removes the 10-year "sunset" provision from the statute imposing the \$7 security surcharge on new and renewal vehicle registrations. The security surcharge would otherwise expire in 2013.

The bill amends the current law to eliminate the statutory requirement that there be a motor vehicle agency location per 300,000 citizens in each county, but still requires one agent per county. This change will allow the commission to determine where agencies should be located and to focus on providing additional on-line services to better meet customers’ needs throughout the State.

The bill removes from current law the provision requiring that all dealer licenses be renewed in March of each year and would require that dealer licenses be renewed 12 months from the date on which they are issued. The bill would establish that the chief administrator may, at the chief administrator’s discretion and for good cause shown, extend a dealer’s license by a period not to exceed 12 months from the date on which it is scheduled to expire. This would allow the commission to better allocate its resources.

Under current law, the only recourse available to the commission in addressing violations committed by licensed vehicle dealers is suspension or revocation of a dealer’s license. While this is effective in instances of severe or repeated violations, this recourse is inappropriate for minor or infrequent violations. This bill authorizes the chief administrator to impose a fine not to exceed

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1 \$500 for a first offense and \$1,000 for any subsequent offense upon
2 the holder of a dealer's license for a violation of current law, or the
3 chief administrator may impose a fine for a violation of the rules
4 and regulations authorized to be promulgated by the board pursuant
5 to this bill in addition to the current penalties which the chief
6 administrator may impose on a dealer, namely suspension or
7 revocation of the dealer's license.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 65

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 3, 2007

The Senate Transportation Committee reports favorably Senate Bill No. 65 with committee amendments.

This amended bill makes various changes in the organization and operation of the New Jersey Motor Vehicle Commission (“the commission”) and implements certain recommendations of the commission’s “MVC Forward” report issued in 2007.

Specifically, this bill alters 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, except as may be otherwise provided by law. Under current law, the chief administrator of the commission has separate statutory functions which would not be changed by this bill. The board would no longer have to meet monthly but only every other month.

With respect to its annual report made to the Governor and the Legislature, the commission would now submit the report on January 31 of each year and is given greater leeway in reporting its assessment of security improvements, annual transactions, customer wait times, and criminal complaints. In addition, the report would also be filed with the Senate Transportation Committee and the Assembly Transportation and Public Works Committee, or their successors.

The bill clarifies the manner in which appointments to the board are to be made. The bill permits the chief administrator to create advisory councils, in addition to the five advisory councils created in the original 2003 law creating the commission.

The bill removes the 10-year "sunset" provision from the statute imposing the \$7 security surcharge on new and renewal vehicle registrations. The security surcharge would otherwise expire in 2013.

The bill amends the current law to eliminate the statutory requirement that there be a motor vehicle agency location per 300,000 citizens in each county, but still requires one agent per county.

The bill removes from current law the provision requiring that all dealer licenses be renewed in March of each year and would require that dealer licenses be renewed 12 months from the date on which they are issued. The bill would establish that the chief administrator may,

at the chief administrator's discretion and for good cause shown, extend a dealer's license by a period not to exceed 12 months from the date on which it is scheduled to expire.

According to the commission, the only recourse available to the commission in addressing violations committed by licensed vehicle dealers is suspension or revocation of a dealer's license. While this is effective in instances of severe or repeated violations, this recourse is inappropriate for minor or infrequent violations. This bill authorizes the chief administrator to impose a fine not to exceed \$500 for a first offense and \$1,000 for any subsequent offense upon the holder of a dealer's license for a violation of current law, or the chief administrator may impose a fine for a violation of the rules and regulations authorized to be promulgated by the board pursuant to this bill in addition to the current penalties which the chief administrator may impose on a dealer. The bill revises various parts of Title 39 of the Revised Statutes dealing with procedures to be followed by motor vehicle dealers in New Jersey.

Finally, the bill permits the board of the commission by regulation to increase certain fees and surcharges, notwithstanding any provisions of law, rule or regulation to the contrary. In general the fees and surcharges are those listed in section 105 of P.L.2003, c.13 (C.39:2A-36) which are subject to the proportional remittance requirements of that act. Revenues from those increases would be remitted to commission. Certain fees or surcharges are excluded from this authorization of adjustment by commission regulation, namely, registration fees for passenger automobiles and other vehicles and driver's license fees.

The committee amended the bill to include reference to the power to increase certain fees and surcharges by regulation in the preamble, to authorize the board of the commission to increase these fees and surcharges by regulation, and to provide that the increase in fees and surcharges would be remitted to the commission. The committee also adopted amendments revising various parts of Title 39 pertaining to motor vehicle dealers.

STATEMENT TO

[First Reprint]

SENATE, No. 65

with Senate Floor Amendments
(Proposed By Senator SACCO)

ADOPTED: DECEMBER 17, 2007

This amendment provides that in determining the fees or surcharges which are permitted to be increased by regulation the board of the commission is to consider a number of factors such as the year the surcharge was last increased, the actual costs to the State, and the annual increases in the CPI or other relevant index. No such fees or surcharges are to be increased by regulation more than once during any five-year period and shall not be increased by an amount which exceeds the costs to the State for administering any transaction, filing or program for which the fee or surcharge is collected. All increases after the first 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. All increases in fees or surcharges imposed by regulation proposed to be adopted in one calendar year shall be consolidated in one single regulatory proposal in that calendar year.

The amendments also revise the statute pertaining to motor vehicle dealer licenses to increase from \$100 to \$200 the amount of the fee for those licenses (including renewals) and to extend the duration of the licenses. The amendments also provide for delayed effective dates for the bill.

With these amendments, this bill is identical to A-4338 with proposed Assembly amendments.