

SENATE: Yes Transportation
Commerce

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RWH/JA

P.L. 2021, CHAPTER 360, *approved January 10, 2022*
Assembly, No. 4521 (*Second Reprint*)

1 **AN ACT** concerning certain motor vehicle certificates of ownership
2 and salvage certificates of title and amending P.L.1983, c.323.

3

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

6

7 1. Section 2 of P.L.1983, c.323 (C.39:10-32) is amended to read
8 as follows:

9 2. a. If a motor vehicle has either been reported as being stolen or
10 suffered sufficient damage to render it economically impractical to
11 repair, the person in possession of the certificate of ownership for the
12 vehicle shall surrender the certificate of ownership to the chief
13 administrator along with a statement setting forth how the person
14 acquired the certificate of ownership.

15 b. The chief administrator, after determining ownership, shall
16 issue a salvage certificate of title to a person who surrenders a
17 certificate of ownership pursuant to subsection a. of this section.

18 c. (1) Notwithstanding any provision of law to the contrary,
19 when an insurer licensed to do business in New Jersey settles a total
20 loss claim with the owner of a motor vehicle, and the owner of the
21 motor vehicle fails to assign and deliver the motor vehicle's certificate
22 of ownership to the insurer within 30 days of the payment of the claim,
23 the insurer or an agent of the insurer may apply to the chief
24 administrator for a certificate of ownership or a salvage certificate of
25 title for the motor vehicle in the name of the insurer without providing
26 a certificate of ownership; provided that the chief administrator
27 determines that the issuance of a certificate of ownership is
28 appropriate, in accordance with the provisions of P.L.1983, c.323
29 (C.39:10-31 et seq.).

30 The provisions of this subsection shall only apply when the most
31 recent certificate of ownership for the motor vehicle was issued by this
32 State.

33 (2) The insurer shall provide notice to the owner and any
34 lienholder of the motor vehicle identified in the records of the
35 commission at least 30 days prior to applying for a certificate of
36 ownership or a salvage certificate of title pursuant to this subsection.
37 The notice shall be sent by certified mail or commercial courier whose
38 regular business is delivery service and that provides proof of delivery
39 to the owner and any lienholders at the last known address identified in
40 the records of the commission. Failure to provide the notice required

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:

¹Assembly ATR committee amendments adopted January 25, 2021.

²Senate SCM committee amendments adopted June 16, 2021.

1 by this paragraph shall be cause for the chief administrator to deny
2 issuance of a certificate of ownership or a salvage certificate of title.

3 (3) The application for a certificate of ownership or a salvage
4 certificate of title shall be made on a form prescribed by the chief
5 administrator and shall include proof of payment of the claim, proof
6 that the insurer requested the certificate of ownership, and proof that
7 notice was provided, as required by paragraph (2) of this subsection, to
8 the owner and any lienholders of the motor vehicle. Failure to provide
9 the proof required by this paragraph shall be cause for the chief
10 administrator to deny issuance of a certificate of ownership or a
11 salvage certificate of title.

12 (4) If, based upon the records of the commission, there was an
13 outstanding lien or liens against the motor vehicle immediately prior to
14 the payment of the claim and the claim was paid to a lienholder or
15 lienholders, or to a lienholder or lienholders and the owner jointly, the
16 proof of payment required pursuant to paragraph (3) of this subsection
17 shall also include proof that the claim was paid to, or a letter stating
18 that the lienholder has no interest in the motor vehicle was received
19 from, each lienholder identified in the records of the commission.
20 Failure to provide the proof required by this paragraph shall be cause
21 for the chief administrator to deny issuance of a certificate of
22 ownership or a salvage certificate of title.

23 (5) Upon proper application, the chief administrator shall issue a
24 certificate of ownership or a salvage certificate of title, as appropriate,
25 in the name of the insurer. In the event the insurer sells the motor
26 vehicle, the insurer shall assign the certificate of ownership or salvage
27 certificate of title to the buyer.

28 d. (1) Notwithstanding any provision of law to the contrary,
29 when an insurer licensed to do business in New Jersey settles a total
30 loss claim with the owner of a motor vehicle, and the owner of the
31 motor vehicle fails to assign and deliver the motor vehicle's certificate
32 of ownership to the insurer within 30 days of the payment of the claim,
33 the insurer or an agent of the insurer may apply to the chief
34 administrator for a certificate of ownership or a salvage certificate of
35 title for the motor vehicle in the name of the insurer without providing
36 a certificate of ownership; provided that the chief administrator
37 determines that the issuance of a certificate of ownership is
38 appropriate, in accordance with the provisions of P.L.1983, c.323
39 (C.39:10-31 et seq.).

40 The provisions of this subsection shall only apply when the most
41 recent certificate of ownership for a motor vehicle was issued by
42 another state; the motor vehicle records of the jurisdiction that issued
43 the certificate of ownership indicate that there are no liens recorded
44 against the motor vehicle; and the motor vehicle was damaged, stolen,
45 or recovered in this State, was owned by a resident of this State
46 immediately prior to a total loss settlement by an insurer, or as
47 otherwise permitted by the chief administrator.

1 (2) The insurer shall provide notice by certified mail or
2 commercial courier whose regular business is delivery service and that
3 provides proof of delivery to the owner at least 30 days prior to
4 applying for a certificate of ownership or a salvage certificate of title
5 pursuant to this subsection. Failure to provide the notice required by
6 this paragraph shall be cause for the chief administrator to deny
7 issuance of a certificate of ownership or a salvage certificate of title.

8 (3) The application shall be made on a form prescribed by the
9 chief administrator and shall include proof of payment of the claim,
10 proof that the insurer requested the certificate of ownership, and proof
11 that notice was provided to the owner of the motor vehicle pursuant to
12 paragraph (2) of this subsection. Failure to provide the proof required
13 by this paragraph shall be cause for the chief administrator to deny
14 issuance of a certificate of ownership or a salvage certificate of title.

15 (4) Upon proper application, the chief administrator shall issue a
16 certificate of ownership or a salvage certificate of title, as appropriate,
17 in the name of the insurer for the motor vehicle. In the event the
18 insurer sells the motor vehicle, the insurer shall assign the certificate of
19 ownership or salvage certificate of title to the buyer.

20 e. (1) Notwithstanding any provision of law to the contrary,
21 when an insurer licensed to do business in New Jersey settles a total
22 loss claim with the owner of a motor vehicle and the insurer obtains
23 the certificate of ownership for the vehicle, but it is not properly
24 assigned to the insurer within 30 days of the payment of the claim, the
25 insurer or an agent of the insurer may apply to the chief administrator
26 for a certificate of ownership or a salvage certificate of title, as
27 appropriate, in the name of the insurer.

28 (2) The insurer shall provide notice to the owner and any
29 lienholder, based upon the records of the commission, at least 30 days
30 prior to applying for a certificate of ownership or a salvage certificate
31 of title pursuant to this subsection. The notice shall be sent by
32 certified mail or commercial courier whose regular business is delivery
33 service and that provides proof of delivery to the owner and any
34 lienholder at the last known address based upon the records of the
35 commission. Failure to provide the notice required by this paragraph
36 shall be cause for the chief administrator to deny issuance of a
37 certificate of ownership or a salvage certificate of title.

38 (3) The application for a certificate of ownership or a salvage
39 certificate of title shall be made on a form prescribed by the chief
40 administrator and shall include proof of payment of the claim, the
41 certificate of ownership, proof that the insurer attempted to obtain the
42 proper assignment of the certificate of ownership, and proof that notice
43 was provided to the owner of the motor vehicle and any lienholder, in
44 accordance with paragraph (2) of this subsection. Failure to provide
45 the proof required by this paragraph shall be cause for the chief
46 administrator to deny issuance of a certificate of ownership or a
47 salvage certificate of title.

1 (4) Upon proper application, the chief administrator shall issue a
2 certificate of ownership or a salvage certificate of title, as appropriate,
3 in the name of the insurer. In the event the insurer sells the motor
4 vehicle, the insurer shall assign the certificate of ownership or salvage
5 certificate of title to the buyer.

6 f. (1) If an insurer requests that a salvage processor, whose
7 primary business is the sale of total loss motor vehicles on behalf of
8 insurers, take possession of a motor vehicle that is the subject of an
9 insurance claim and subsequently, the insurer does not take ownership
10 of the vehicle, the insurer may authorize the salvage processor to
11 release the vehicle to the owner or lienholder. The insurer shall
12 provide to the salvage processor a release statement authorizing the
13 release of the vehicle to the owner or lienholder.

14 Upon receiving a release statement from an insurer, the salvage
15 processor shall, within five business days, provide notice to the owner
16 and any lienholder identified in the records of the commission,
17 informing the owner and any lienholder that the vehicle may be
18 released, upon payment of any outstanding charges, and that failure to
19 claim the vehicle will result in the vehicle being deemed abandoned.
20 The notice shall include an invoice for any outstanding charges owed
21 to the salvage processor and shall inform the owner or lienholder that
22 the vehicle is required to be claimed within 60 days from the date of
23 the notice. The notice shall also inform the owner or lienholder of the
24 location of the vehicle. The notice required under this subsection shall
25 be sent by certified mail or commercial courier whose regular business
26 is delivery service and that provides proof of delivery to the last
27 known address based upon the records of the commission.

28 (2) Notwithstanding any provision of law to the contrary, in the
29 event the owner or lienholder of the vehicle does not claim the vehicle
30 within 60 days after the date of the notice, the vehicle shall be deemed
31 abandoned and the salvage processor may apply to the chief
32 administrator for the issuance of a salvage certificate of title or a junk
33 title certificate for the motor vehicle in the name of the salvage
34 processor without providing a certificate of ownership. The
35 application shall include proof that notice was provided to the owner
36 of the motor vehicle and any lienholder.

37 (3) Upon proper application, the chief administrator shall issue a
38 salvage certificate of title or a junk title certificate, as appropriate, in
39 the name of the salvage processor, which shall extinguish any existing
40 liens against the motor vehicle. If the salvage processor sells the
41 motor vehicle, the salvage certificate of title or junk title certificate
42 shall be assigned to the buyer and the vehicle shall be transferred
43 without any liens against it.

44 g. The chief administrator shall be immune from liability for any
45 errors or misrepresentations made by an insurer pursuant to
46 subsections c., d., and e. of this section or by a salvage processor
47 pursuant to subsection f. of this section.

1 h. ²Notwithstanding the provisions of this section, an insurer
2 licensed to do business in this State shall not be required to submit
3 with an application for a certificate of ownership or salvage ¹certificate
4 of¹ title any document from the insurer providing proof of power of
5 attorney.

6 i. Notwithstanding any provision of law to the contrary, ¹the
7 chief administrator shall not require a notarized signature on the
8 certificate of ownership surrender statement, submitted pursuant to
9 subsection a. of this section, that is from a person¹ notarization of the
10 signature or electronic signature of the owner of a motor vehicle¹ who
11 has received or is due to receive a total loss settlement from an insurer,
12 ¹is not required on a power of attorney¹ or ¹on a¹ other¹ document
13 ¹authorizing the insurer or insurer's agent to act as power of attorney,
14 in order to obtain¹ supporting an application for¹ a certificate of
15 ownership or a salvage certificate of title ¹submitted by an insurer or
16 an agent of an insurer¹ Notwithstanding any provision of law or
17 regulation to the contrary, an insurer licensed to do business in this
18 State shall be permitted to submit with an application for a certificate
19 of ownership or salvage certificate of title a power of attorney
20 executed electronically by a person who has received or is due to
21 receive a total loss settlement from an insurer in a form and in a format
22 to be prescribed by the chief administrator.

23 A power of attorney signed electronically is not required to be
24 notarized but shall, at a minimum, meet security requirements
25 prescribed by the chief administrator.

26 The chief administrator shall adopt regulations to implement the
27 provisions of this subsection, and may prescribe the form and format
28 of an electronically signed power of attorney and any additional
29 security requirements the chief administrator deems necessary,
30 including any requirements to ensure that any power of attorney signed
31 electronically complies with federal odometer disclosure requirements
32 under 49 C.F.R. s.580.1 et seq².

33 (cf: P.L.2015, c.208, s.1)

34
35 2. This act shall take effect ¹immediately¹ on the first day of the
36 ²sixth² twelfth² month following enactment¹.

37
38
39
40
41 Allows insurer to submit to MVC power of attorney executed
42 electronically for certificate of ownership or salvage certificate of
43 title by person who received or is due to receive total loss
44 settlement from insurer.

CHAPTER 360
(CORRECTED COPY)

AN ACT concerning certain motor vehicle certificates of ownership and salvage certificates of title and amending P.L.1983, c.323.

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

1. Section 2 of P.L.1983, c.323 (C.39:10-32) is amended to read as follows:

C.39:10-32 Vehicle reported stolen or damaged; surrender of certificate of ownership; issuance of salvage certificate of title.

2. a. If a motor vehicle has either been reported as being stolen or suffered sufficient damage to render it economically impractical to repair, the person in possession of the certificate of ownership for the vehicle shall surrender the certificate of ownership to the chief administrator along with a statement setting forth how the person acquired the certificate of ownership.

b. The chief administrator, after determining ownership, shall issue a salvage certificate of title to a person who surrenders a certificate of ownership pursuant to subsection a. of this section.

c. (1) Notwithstanding any provision of law to the contrary, when an insurer licensed to do business in New Jersey settles a total loss claim with the owner of a motor vehicle, and the owner of the motor vehicle fails to assign and deliver the motor vehicle's certificate of ownership to the insurer within 30 days of the payment of the claim, the insurer or an agent of the insurer may apply to the chief administrator for a certificate of ownership or a salvage certificate of title for the motor vehicle in the name of the insurer without providing a certificate of ownership; provided that the chief administrator determines that the issuance of a certificate of ownership is appropriate, in accordance with the provisions of P.L.1983, c.323 (C.39:10-31 et seq.).

The provisions of this subsection shall only apply when the most recent certificate of ownership for the motor vehicle was issued by this State.

(2) The insurer shall provide notice to the owner and any lienholder of the motor vehicle identified in the records of the commission at least 30 days prior to applying for a certificate of ownership or a salvage certificate of title pursuant to this subsection. The notice shall be sent by certified mail or commercial courier whose regular business is delivery service and that provides proof of delivery to the owner and any lienholders at the last known address identified in the records of the commission. Failure to provide the notice required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(3) The application for a certificate of ownership or a salvage certificate of title shall be made on a form prescribed by the chief administrator and shall include proof of payment of the claim, proof that the insurer requested the certificate of ownership, and proof that notice was provided, as required by paragraph (2) of this subsection, to the owner and any lienholders of the motor vehicle. Failure to provide the proof required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(4) If, based upon the records of the commission, there was an outstanding lien or liens against the motor vehicle immediately prior to the payment of the claim and the claim was paid to a lienholder or lienholders, or to a lienholder or lienholders and the owner jointly, the proof of payment required pursuant to paragraph (3) of this subsection shall also include proof that the claim was paid to, or a letter stating that the lienholder has no interest in the motor vehicle was received from, each lienholder identified in the records of the commission. Failure to provide the proof required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(5) Upon proper application, the chief administrator shall issue a certificate of ownership or a salvage certificate of title, as appropriate, in the name of the insurer. In the event the insurer sells the motor vehicle, the insurer shall assign the certificate of ownership or salvage certificate of title to the buyer.

d. (1) Notwithstanding any provision of law to the contrary, when an insurer licensed to do business in New Jersey settles a total loss claim with the owner of a motor vehicle, and the owner of the motor vehicle fails to assign and deliver the motor vehicle's certificate of ownership to the insurer within 30 days of the payment of the claim, the insurer or an agent of the insurer may apply to the chief administrator for a certificate of ownership or a salvage certificate of title for the motor vehicle in the name of the insurer without providing a certificate of ownership; provided that the chief administrator determines that the issuance of a certificate of ownership is appropriate, in accordance with the provisions of P.L.1983, c.323 (C.39:10-31 et seq.).

The provisions of this subsection shall only apply when the most recent certificate of ownership for a motor vehicle was issued by another state; the motor vehicle records of the jurisdiction that issued the certificate of ownership indicate that there are no liens recorded against the motor vehicle; and the motor vehicle was damaged, stolen, or recovered in this State, was owned by a resident of this State immediately prior to a total loss settlement by an insurer, or as otherwise permitted by the chief administrator.

(2) The insurer shall provide notice by certified mail or commercial courier whose regular business is delivery service and that provides proof of delivery to the owner at least 30 days prior to applying for a certificate of ownership or a salvage certificate of title pursuant to this subsection. Failure to provide the notice required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(3) The application shall be made on a form prescribed by the chief administrator and shall include proof of payment of the claim, proof that the insurer requested the certificate of ownership, and proof that notice was provided to the owner of the motor vehicle pursuant to paragraph (2) of this subsection. Failure to provide the proof required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(4) Upon proper application, the chief administrator shall issue a certificate of ownership or a salvage certificate of title, as appropriate, in the name of the insurer for the motor vehicle. In the event the insurer sells the motor vehicle, the insurer shall assign the certificate of ownership or salvage certificate of title to the buyer.

e. (1) Notwithstanding any provision of law to the contrary, when an insurer licensed to do business in New Jersey settles a total loss claim with the owner of a motor vehicle and the insurer obtains the certificate of ownership for the vehicle, but it is not properly assigned to the insurer within 30 days of the payment of the claim, the insurer or an agent of the insurer may apply to the chief administrator for a certificate of ownership or a salvage certificate of title, as appropriate, in the name of the insurer.

(2) The insurer shall provide notice to the owner and any lienholder, based upon the records of the commission, at least 30 days prior to applying for a certificate of ownership or a salvage certificate of title pursuant to this subsection. The notice shall be sent by certified mail or commercial courier whose regular business is delivery service and that provides proof of delivery to the owner and any lienholder at the last known address based upon the records of the commission. Failure to provide the notice required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(3) The application for a certificate of ownership or a salvage certificate of title shall be made on a form prescribed by the chief administrator and shall include proof of payment of the claim, the certificate of ownership, proof that the insurer attempted to obtain the proper assignment of the

certificate of ownership, and proof that notice was provided to the owner of the motor vehicle and any lienholder, in accordance with paragraph (2) of this subsection. Failure to provide the proof required by this paragraph shall be cause for the chief administrator to deny issuance of a certificate of ownership or a salvage certificate of title.

(4) Upon proper application, the chief administrator shall issue a certificate of ownership or a salvage certificate of title, as appropriate, in the name of the insurer. In the event the insurer sells the motor vehicle, the insurer shall assign the certificate of ownership or salvage certificate of title to the buyer.

f. (1) If an insurer requests that a salvage processor, whose primary business is the sale of total loss motor vehicles on behalf of insurers, take possession of a motor vehicle that is the subject of an insurance claim and subsequently the insurer does not take ownership of the vehicle, the insurer may authorize the salvage processor to release the vehicle to the owner or lienholder. The insurer shall provide to the salvage processor a release statement authorizing the release of the vehicle to the owner or lienholder.

Upon receiving a release statement from an insurer, the salvage processor shall, within five business days, provide notice to the owner and any lienholder identified in the records of the commission, informing the owner and any lienholder that the vehicle may be released upon payment of any outstanding charges, and that failure to claim the vehicle will result in the vehicle being deemed abandoned. The notice shall include an invoice for any outstanding charges owed to the salvage processor and shall inform the owner or lienholder that the vehicle is required to be claimed within 60 days from the date of the notice. The notice shall also inform the owner or lienholder of the location of the vehicle. The notice required under this subsection shall be sent by certified mail or commercial courier whose regular business is delivery service and that provides proof of delivery to the last known address based upon the records of the commission.

(2) Notwithstanding any provision of law to the contrary, in the event the owner or lienholder of the vehicle does not claim the vehicle within 60 days after the date of the notice, the vehicle shall be deemed abandoned and the salvage processor may apply to the chief administrator for the issuance of a salvage certificate of title or a junk title certificate for the motor vehicle in the name of the salvage processor without providing a certificate of ownership. The application shall include proof that notice was provided to the owner of the motor vehicle and any lienholder.

(3) Upon proper application, the chief administrator shall issue a salvage certificate of title or a junk title certificate, as appropriate, in the name of the salvage processor, which shall extinguish any existing liens against the motor vehicle. If the salvage processor sells the motor vehicle, the salvage certificate of title or junk title certificate shall be assigned to the buyer and the vehicle shall be transferred without any liens against it.

g. The chief administrator shall be immune from liability for any errors or misrepresentations made by an insurer pursuant to subsections c., d., and e. of this section or by a salvage processor pursuant to subsection f. of this section.

h. Notwithstanding any provision of law or regulation to the contrary, an insurer licensed to do business in this State shall be permitted to submit with an application for a certificate of ownership or salvage certificate of title a power of attorney executed electronically by a person who has received or is due to receive a total loss settlement from an insurer in a form and in a format to be prescribed by the chief administrator.

A power of attorney signed electronically is not required to be notarized but shall, at a minimum, meet security requirements prescribed by the chief administrator.

The chief administrator shall adopt regulations to implement the provisions of this subsection, and may prescribe the form and format of an electronically signed power of attorney and any additional security requirements the chief administrator deems necessary, including any

requirements to ensure that any power of attorney signed electronically complies with federal odometer disclosure requirements under 49 C.F.R. s.580.1 et seq.

2. This act shall take effect on the first day of the twelfth month following enactment.

Approved January 10, 2022.

ASSEMBLY, No. 4521

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED AUGUST 13, 2020

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

SYNOPSIS

Prohibits MVC from requiring power of attorney for certain documents concerning motor vehicle certificates of ownership and salvage certificates of title.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 8/13/2020)

1 AN ACT concerning certain motor vehicle certificates of ownership
2 and salvage certificates of title and amending P.L.1983, c.323.

3

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

6

7 1. Section 2 of P.L.1983, c.323 (C.39:10-32) is amended to
8 read as follows:

9 2. a. If a motor vehicle has either been reported as being
10 stolen or suffered sufficient damage to render it economically
11 impractical to repair, the person in possession of the certificate of
12 ownership for the vehicle shall surrender the certificate of
13 ownership to the chief administrator along with a statement setting
14 forth how the person acquired the certificate of ownership.

15 b. The chief administrator, after determining ownership, shall
16 issue a salvage certificate of title to a person who surrenders a
17 certificate of ownership pursuant to subsection a. of this section.

18 c. (1) Notwithstanding any provision of law to the contrary,
19 when an insurer licensed to do business in New Jersey settles a total
20 loss claim with the owner of a motor vehicle, and the owner of the
21 motor vehicle fails to assign and deliver the motor vehicle's
22 certificate of ownership to the insurer within 30 days of the
23 payment of the claim, the insurer or an agent of the insurer may
24 apply to the chief administrator for a certificate of ownership or a
25 salvage certificate of title for the motor vehicle in the name of the
26 insurer without providing a certificate of ownership; provided that
27 the chief administrator determines that the issuance of a certificate
28 of ownership is appropriate, in accordance with the provisions of
29 P.L.1983, c.323 (C.39:10-31 et seq.).

30 The provisions of this subsection shall only apply when the most
31 recent certificate of ownership for the motor vehicle was issued by
32 this State.

33 (2) The insurer shall provide notice to the owner and any
34 lienholder of the motor vehicle identified in the records of the
35 commission at least 30 days prior to applying for a certificate of
36 ownership or a salvage certificate of title pursuant to this
37 subsection. The notice shall be sent by certified mail or commercial
38 courier whose regular business is delivery service and that provides
39 proof of delivery to the owner and any lienholders at the last known
40 address identified in the records of the commission. Failure to
41 provide the notice required by this paragraph shall be cause for the
42 chief administrator to deny issuance of a certificate of ownership or
43 a salvage certificate of title.

44 (3) The application for a certificate of ownership or a salvage
45 certificate of title shall be made on a form prescribed by the chief

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 administrator and shall include proof of payment of the claim, proof
2 that the insurer requested the certificate of ownership, and proof
3 that notice was provided, as required by paragraph (2) of this
4 subsection, to the owner and any lienholders of the motor vehicle.
5 Failure to provide the proof required by this paragraph shall be
6 cause for the chief administrator to deny issuance of a certificate of
7 ownership or a salvage certificate of title.

8 (4) If, based upon the records of the commission, there was an
9 outstanding lien or liens against the motor vehicle immediately
10 prior to the payment of the claim and the claim was paid to a
11 lienholder or lienholders, or to a lienholder or lienholders and the
12 owner jointly, the proof of payment required pursuant to paragraph
13 (3) of this subsection shall also include proof that the claim was
14 paid to, or a letter stating that the lienholder has no interest in the
15 motor vehicle was received from, each lienholder identified in the
16 records of the commission. Failure to provide the proof required by
17 this paragraph shall be cause for the chief administrator to deny
18 issuance of a certificate of ownership or a salvage certificate of
19 title.

20 (5) Upon proper application, the chief administrator shall issue a
21 certificate of ownership or a salvage certificate of title, as
22 appropriate, in the name of the insurer. In the event the insurer sells
23 the motor vehicle, the insurer shall assign the certificate of
24 ownership or salvage certificate of title to the buyer.

25 d. (1) Notwithstanding any provision of law to the contrary,
26 when an insurer licensed to do business in New Jersey settles a total
27 loss claim with the owner of a motor vehicle, and the owner of the
28 motor vehicle fails to assign and deliver the motor vehicle's
29 certificate of ownership to the insurer within 30 days of the
30 payment of the claim, the insurer or an agent of the insurer may
31 apply to the chief administrator for a certificate of ownership or a
32 salvage certificate of title for the motor vehicle in the name of the
33 insurer without providing a certificate of ownership; provided that
34 the chief administrator determines that the issuance of a certificate
35 of ownership is appropriate, in accordance with the provisions of
36 P.L.1983, c.323 (C.39:10-31 et seq.).

37 The provisions of this subsection shall only apply when the most
38 recent certificate of ownership for a motor vehicle was issued by
39 another state; the motor vehicle records of the jurisdiction that
40 issued the certificate of ownership indicate that there are no liens
41 recorded against the motor vehicle; and the motor vehicle was
42 damaged, stolen, or recovered in this State, was owned by a resident
43 of this State immediately prior to a total loss settlement by an
44 insurer, or as otherwise permitted by the chief administrator.

45 (2) The insurer shall provide notice by certified mail or
46 commercial courier whose regular business is delivery service and
47 that provides proof of delivery to the owner at least 30 days prior to
48 applying for a certificate of ownership or a salvage certificate of

1 title pursuant to this subsection. Failure to provide the notice
2 required by this paragraph shall be cause for the chief administrator
3 to deny issuance of a certificate of ownership or a salvage
4 certificate of title.

5 (3) The application shall be made on a form prescribed by the
6 chief administrator and shall include proof of payment of the claim,
7 proof that the insurer requested the certificate of ownership, and
8 proof that notice was provided to the owner of the motor vehicle
9 pursuant to paragraph (2) of this subsection. Failure to provide the
10 proof required by this paragraph shall be cause for the chief
11 administrator to deny issuance of a certificate of ownership or a
12 salvage certificate of title.

13 (4) Upon proper application, the chief administrator shall issue a
14 certificate of ownership or a salvage certificate of title, as
15 appropriate, in the name of the insurer for the motor vehicle. In the
16 event the insurer sells the motor vehicle, the insurer shall assign the
17 certificate of ownership or salvage certificate of title to the buyer.

18 e. (1) Notwithstanding any provision of law to the contrary,
19 when an insurer licensed to do business in New Jersey settles a total
20 loss claim with the owner of a motor vehicle and the insurer obtains
21 the certificate of ownership for the vehicle, but it is not properly
22 assigned to the insurer within 30 days of the payment of the claim,
23 the insurer or an agent of the insurer may apply to the chief
24 administrator for a certificate of ownership or a salvage certificate
25 of title, as appropriate, in the name of the insurer.

26 (2) The insurer shall provide notice to the owner and any
27 lienholder, based upon the records of the commission, at least 30
28 days prior to applying for a certificate of ownership or a salvage
29 certificate of title pursuant to this subsection. The notice shall be
30 sent by certified mail or commercial courier whose regular business
31 is delivery service and that provides proof of delivery to the owner
32 and any lienholder at the last known address based upon the records
33 of the commission. Failure to provide the notice required by this
34 paragraph shall be cause for the chief administrator to deny
35 issuance of a certificate of ownership or a salvage certificate of
36 title.

37 (3) The application for a certificate of ownership or a salvage
38 certificate of title shall be made on a form prescribed by the chief
39 administrator and shall include proof of payment of the claim, the
40 certificate of ownership, proof that the insurer attempted to obtain
41 the proper assignment of the certificate of ownership, and proof that
42 notice was provided to the owner of the motor vehicle and any
43 lienholder, in accordance with paragraph (2) of this subsection.
44 Failure to provide the proof required by this paragraph shall be
45 cause for the chief administrator to deny issuance of a certificate of
46 ownership or a salvage certificate of title.

47 (4) Upon proper application, the chief administrator shall issue a
48 certificate of ownership or a salvage certificate of title, as

1 appropriate, in the name of the insurer. In the event the insurer sells
2 the motor vehicle, the insurer shall assign the certificate of
3 ownership or salvage certificate of title to the buyer.

4 f. (1) If an insurer requests that a salvage processor, whose
5 primary business is the sale of total loss motor vehicles on behalf of
6 insurers, take possession of a motor vehicle that is the subject of an
7 insurance claim and subsequently, the insurer does not take
8 ownership of the vehicle, the insurer may authorize the salvage
9 processor to release the vehicle to the owner or lienholder. The
10 insurer shall provide to the salvage processor a release statement
11 authorizing the release of the vehicle to the owner or lienholder.

12 Upon receiving a release statement from an insurer, the salvage
13 processor shall, within five business days, provide notice to the
14 owner and any lienholder identified in the records of the
15 commission, informing the owner and any lienholder that the
16 vehicle may be released, upon payment of any outstanding charges,
17 and that failure to claim the vehicle will result in the vehicle being
18 deemed abandoned. The notice shall include an invoice for any
19 outstanding charges owed to the salvage processor and shall inform
20 the owner or lienholder that the vehicle is required to be claimed
21 within 60 days from the date of the notice. The notice shall also
22 inform the owner or lienholder of the location of the vehicle. The
23 notice required under this subsection shall be sent by certified mail
24 or commercial courier whose regular business is delivery service
25 and that provides proof of delivery to the last known address based
26 upon the records of the commission.

27 (2) Notwithstanding any provision of law to the contrary, in the
28 event the owner or lienholder of the vehicle does not claim the
29 vehicle within 60 days after the date of the notice, the vehicle shall
30 be deemed abandoned and the salvage processor may apply to the
31 chief administrator for the issuance of a salvage certificate of title
32 or a junk title certificate for the motor vehicle in the name of the
33 salvage processor without providing a certificate of ownership. The
34 application shall include proof that notice was provided to the
35 owner of the motor vehicle and any lienholder.

36 (3) Upon proper application, the chief administrator shall issue a
37 salvage certificate of title or a junk title certificate, as appropriate,
38 in the name of the salvage processor, which shall extinguish any
39 existing liens against the motor vehicle. If the salvage processor
40 sells the motor vehicle, the salvage certificate of title or junk title
41 certificate shall be assigned to the buyer and the vehicle shall be
42 transferred without any liens against it.

43 g. The chief administrator shall be immune from liability for
44 any errors or misrepresentations made by an insurer pursuant to
45 subsections c., d., and e. of this section or by a salvage processor
46 pursuant to subsection f. of this section.

47 h. Notwithstanding the provisions of this section, an insurer
48 licensed to do business in this State shall not be required to submit

1 with an application for a certificate of ownership or salvage title
2 any document from the insurer providing proof of power of
3 attorney.

4 i. Notwithstanding any provision of law to the contrary, the
5 chief administrator shall not require a notarized signature on the
6 certificate of ownership surrender statement, submitted pursuant to
7 subsection a. of this section, that is from a person who has received
8 or is due to receive a total loss settlement from an insurer, or on a
9 document authorizing the insurer or insurer's agent to act as power
10 of attorney, in order to obtain a certificate of ownership or a salvage
11 certificate of title.

12 (cf: P.L.2015, c.208, s.1)

13

14 2. This act shall take effect immediately.

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STATEMENT

18

19 This bill prohibits the New Jersey Motor Vehicle Commission
20 (MVC) from requiring an motor vehicle insurer (insurer), licensed
21 to do business in New Jersey that settles a total loss claim with the
22 owner of a motor vehicle, to submit any document providing a
23 power of attorney with regard to an application to the MVC by the
24 insurer for the transfer of a motor vehicle certificate of ownership to
25 the insurer or a salvage certificate of title for the motor vehicle.
26 Further, the bill prohibits the MVC's Chief Administrator from
27 requiring a notarized signature on a motor vehicle certificate of
28 ownership surrender statement from a person who has received or is
29 due to receive a total loss settlement from an insurer, or on a
30 document authorizing the insurer or insurer's agent to act as power
31 of attorney, in order to obtain a certificate of ownership or a salvage
32 certificate of title.

ASSEMBLY TRANSPORTATION AND INDEPENDENT
AUTHORITIES COMMITTEE

STATEMENT TO
ASSEMBLY, No. 4521

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 25, 2021

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 4521.

As amended and reported, this bill provides that a motor vehicle insurer (insurer), licensed to do business in New Jersey that settles a total loss claim with the owner of a motor vehicle, is not required to submit documentation from the insurer providing proof of power of attorney when submitting an application to the New Jersey Motor Vehicle Commission (MVC) for a motor vehicle certificate of ownership or a salvage certificate of title. Further, the bill provides that notarization of the signature or electronic signature of the owner of a motor vehicle who has received or is due to receive a total loss settlement from an insurer is not required on a power of attorney or other document supporting an application for a certificate of ownership or salvage certificate of title submitted by an insurer or an agent of an insurer.

COMMITTEE AMENDMENTS

The committee amended the bill to:

- clarify that notarization of a signature or electronic signature of the owner of a motor vehicle who has received or is due to receive a total loss settlement from an insurer is not required on a power of attorney or other document supporting an application for a certificate of ownership or a salvage certificate of title submitted by an insurer or an agent of an insurer;
- remove a provision providing that the Chief Administrator of the MVC is prohibited from requiring a notarized signature on the certificate of ownership surrender statement under certain circumstances;
- change the effective date of the bill to the first day of the sixth month after enactment; and
- change a reference in the bill from “salvage title” to “salvage certificate of title.”

SENATE COMMERCE COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4521

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 16, 2021

The Senate Commerce Committee reports favorably and with committee amendments Assembly Bill No. 4521 (1R).

As amended, this bill provides that a motor vehicle insurer (insurer) licensed to do business in this State is permitted to submit with an application for a certificate of ownership or salvage certificate of title a power of attorney executed electronically by a person who has received or is due to receive a total loss settlement from an insurer in a form and in a format to be prescribed by the Chief Administrator of the New Jersey Motor Vehicle Commission (chief administrator).

A power of attorney signed electronically is not required to be notarized but is to, at a minimum, meet security requirements prescribed by the chief administrator.

The chief administrator is authorized to adopt regulations to implement the provisions of the bill, and may prescribe the form and format of an electronically signed power of attorney and any additional security requirements the chief administrator deems necessary, including any requirements to ensure that any power of attorney signed electronically complies with federal odometer disclosure requirements under 49 C.F.R. s.580.1 et seq.

As amended and reported by the committee, Assembly Bill No.4521 (1R) is identical to Senate Bill No. 2882 (1R), as also amended and reported by the committee.

COMMITTEE AMENDMENTS

The committee amended the bill by removing the existing provisions to replace it with language that:

(1) allows a New Jersey-licensed insurer to submit with an application for a certificate of ownership or salvage certificate of title a power of attorney electronically by a person who received or is due to receive a total loss settlement from the insurer;

(2) stipulates that a power of attorney signed electronically is not required to be notarized but is to meet minimum security requirements;

(3) authorizes the Chief Administrator of the New Jersey Motor Vehicle Commission to adopt regulations to implement the provisions of the bill; and

(4) alters the effective date to be twelve months after enactment of the bill.

SENATE, No. 2882

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED SEPTEMBER 14, 2020

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

SYNOPSIS

Prohibits MVC from requiring power of attorney for certain documents concerning motor vehicle certificates of ownership and salvage certificates of title.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/8/2020)

1 AN ACT concerning certain motor vehicle certificates of ownership
2 and salvage certificates of title and amending P.L.1983, c.323.

3

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

6

7 1. Section 2 of P.L.1983, c.323 (C.39:10-32) is amended to
8 read as follows:

9 2. a. If a motor vehicle has either been reported as being stolen
10 or suffered sufficient damage to render it economically impractical
11 to repair, the person in possession of the certificate of ownership for
12 the vehicle shall surrender the certificate of ownership to the chief
13 administrator along with a statement setting forth how the person
14 acquired the certificate of ownership.

15 b. The chief administrator, after determining ownership, shall
16 issue a salvage certificate of title to a person who surrenders a
17 certificate of ownership pursuant to subsection a. of this section.

18 c. (1) Notwithstanding any provision of law to the contrary,
19 when an insurer licensed to do business in New Jersey settles a total
20 loss claim with the owner of a motor vehicle, and the owner of the
21 motor vehicle fails to assign and deliver the motor vehicle's
22 certificate of ownership to the insurer within 30 days of the
23 payment of the claim, the insurer or an agent of the insurer may
24 apply to the chief administrator for a certificate of ownership or a
25 salvage certificate of title for the motor vehicle in the name of the
26 insurer without providing a certificate of ownership; provided that
27 the chief administrator determines that the issuance of a certificate
28 of ownership is appropriate, in accordance with the provisions of
29 P.L.1983, c.323 (C.39:10-31 et seq.).

30 The provisions of this subsection shall only apply when the most
31 recent certificate of ownership for the motor vehicle was issued by
32 this State.

33 (2) The insurer shall provide notice to the owner and any
34 lienholder of the motor vehicle identified in the records of the
35 commission at least 30 days prior to applying for a certificate of
36 ownership or a salvage certificate of title pursuant to this
37 subsection. The notice shall be sent by certified mail or commercial
38 courier whose regular business is delivery service and that provides
39 proof of delivery to the owner and any lienholders at the last known
40 address identified in the records of the commission. Failure to
41 provide the notice required by this paragraph shall be cause for the
42 chief administrator to deny issuance of a certificate of ownership or
43 a salvage certificate of title.

44 (3) The application for a certificate of ownership or a salvage
45 certificate of title shall be made on a form prescribed by the chief

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 administrator and shall include proof of payment of the claim, proof
2 that the insurer requested the certificate of ownership, and proof
3 that notice was provided, as required by paragraph (2) of this
4 subsection, to the owner and any lienholders of the motor vehicle.
5 Failure to provide the proof required by this paragraph shall be
6 cause for the chief administrator to deny issuance of a certificate of
7 ownership or a salvage certificate of title.

8 (4) If, based upon the records of the commission, there was an
9 outstanding lien or liens against the motor vehicle immediately
10 prior to the payment of the claim and the claim was paid to a
11 lienholder or lienholders, or to a lienholder or lienholders and the
12 owner jointly, the proof of payment required pursuant to paragraph
13 (3) of this subsection shall also include proof that the claim was
14 paid to, or a letter stating that the lienholder has no interest in the
15 motor vehicle was received from, each lienholder identified in the
16 records of the commission. Failure to provide the proof required by
17 this paragraph shall be cause for the chief administrator to deny
18 issuance of a certificate of ownership or a salvage certificate of
19 title.

20 (5) Upon proper application, the chief administrator shall issue a
21 certificate of ownership or a salvage certificate of title, as
22 appropriate, in the name of the insurer. In the event the insurer sells
23 the motor vehicle, the insurer shall assign the certificate of
24 ownership or salvage certificate of title to the buyer.

25 d. (1) Notwithstanding any provision of law to the contrary,
26 when an insurer licensed to do business in New Jersey settles a total
27 loss claim with the owner of a motor vehicle, and the owner of the
28 motor vehicle fails to assign and deliver the motor vehicle's
29 certificate of ownership to the insurer within 30 days of the
30 payment of the claim, the insurer or an agent of the insurer may
31 apply to the chief administrator for a certificate of ownership or a
32 salvage certificate of title for the motor vehicle in the name of the
33 insurer without providing a certificate of ownership; provided that
34 the chief administrator determines that the issuance of a certificate
35 of ownership is appropriate, in accordance with the provisions of
36 P.L.1983, c.323 (C.39:10-31 et seq.).

37 The provisions of this subsection shall only apply when the most
38 recent certificate of ownership for a motor vehicle was issued by
39 another state; the motor vehicle records of the jurisdiction that
40 issued the certificate of ownership indicate that there are no liens
41 recorded against the motor vehicle; and the motor vehicle was
42 damaged, stolen, or recovered in this State, was owned by a resident
43 of this State immediately prior to a total loss settlement by an
44 insurer, or as otherwise permitted by the chief administrator.

45 (2) The insurer shall provide notice by certified mail or
46 commercial courier whose regular business is delivery service and
47 that provides proof of delivery to the owner at least 30 days prior to
48 applying for a certificate of ownership or a salvage certificate of

1 title pursuant to this subsection. Failure to provide the notice
2 required by this paragraph shall be cause for the chief administrator
3 to deny issuance of a certificate of ownership or a salvage
4 certificate of title.

5 (3) The application shall be made on a form prescribed by the
6 chief administrator and shall include proof of payment of the claim,
7 proof that the insurer requested the certificate of ownership, and
8 proof that notice was provided to the owner of the motor vehicle
9 pursuant to paragraph (2) of this subsection. Failure to provide the
10 proof required by this paragraph shall be cause for the chief
11 administrator to deny issuance of a certificate of ownership or a
12 salvage certificate of title.

13 (4) Upon proper application, the chief administrator shall issue a
14 certificate of ownership or a salvage certificate of title, as
15 appropriate, in the name of the insurer for the motor vehicle. In the
16 event the insurer sells the motor vehicle, the insurer shall assign the
17 certificate of ownership or salvage certificate of title to the buyer.

18 e. (1) Notwithstanding any provision of law to the contrary,
19 when an insurer licensed to do business in New Jersey settles a total
20 loss claim with the owner of a motor vehicle and the insurer obtains
21 the certificate of ownership for the vehicle, but it is not properly
22 assigned to the insurer within 30 days of the payment of the claim,
23 the insurer or an agent of the insurer may apply to the chief
24 administrator for a certificate of ownership or a salvage certificate
25 of title, as appropriate, in the name of the insurer.

26 (2) The insurer shall provide notice to the owner and any
27 lienholder, based upon the records of the commission, at least 30
28 days prior to applying for a certificate of ownership or a salvage
29 certificate of title pursuant to this subsection. The notice shall be
30 sent by certified mail or commercial courier whose regular business
31 is delivery service and that provides proof of delivery to the owner
32 and any lienholder at the last known address based upon the records
33 of the commission. Failure to provide the notice required by this
34 paragraph shall be cause for the chief administrator to deny
35 issuance of a certificate of ownership or a salvage certificate of
36 title.

37 (3) The application for a certificate of ownership or a salvage
38 certificate of title shall be made on a form prescribed by the chief
39 administrator and shall include proof of payment of the claim, the
40 certificate of ownership, proof that the insurer attempted to obtain
41 the proper assignment of the certificate of ownership, and proof that
42 notice was provided to the owner of the motor vehicle and any
43 lienholder, in accordance with paragraph (2) of this subsection.
44 Failure to provide the proof required by this paragraph shall be
45 cause for the chief administrator to deny issuance of a certificate of
46 ownership or a salvage certificate of title.

47 (4) Upon proper application, the chief administrator shall issue a
48 certificate of ownership or a salvage certificate of title, as

1 appropriate, in the name of the insurer. In the event the insurer sells
2 the motor vehicle, the insurer shall assign the certificate of
3 ownership or salvage certificate of title to the buyer.

4 f. (1) If an insurer requests that a salvage processor, whose
5 primary business is the sale of total loss motor vehicles on behalf of
6 insurers, take possession of a motor vehicle that is the subject of an
7 insurance claim and subsequently, the insurer does not take
8 ownership of the vehicle, the insurer may authorize the salvage
9 processor to release the vehicle to the owner or lienholder. The
10 insurer shall provide to the salvage processor a release statement
11 authorizing the release of the vehicle to the owner or lienholder.

12 Upon receiving a release statement from an insurer, the salvage
13 processor shall, within five business days, provide notice to the
14 owner and any lienholder identified in the records of the
15 commission, informing the owner and any lienholder that the
16 vehicle may be released, upon payment of any outstanding charges,
17 and that failure to claim the vehicle will result in the vehicle being
18 deemed abandoned. The notice shall include an invoice for any
19 outstanding charges owed to the salvage processor and shall inform
20 the owner or lienholder that the vehicle is required to be claimed
21 within 60 days from the date of the notice. The notice shall also
22 inform the owner or lienholder of the location of the vehicle. The
23 notice required under this subsection shall be sent by certified mail
24 or commercial courier whose regular business is delivery service
25 and that provides proof of delivery to the last known address based
26 upon the records of the commission.

27 (2) Notwithstanding any provision of law to the contrary, in the
28 event the owner or lienholder of the vehicle does not claim the
29 vehicle within 60 days after the date of the notice, the vehicle shall
30 be deemed abandoned and the salvage processor may apply to the
31 chief administrator for the issuance of a salvage certificate of title
32 or a junk title certificate for the motor vehicle in the name of the
33 salvage processor without providing a certificate of ownership. The
34 application shall include proof that notice was provided to the
35 owner of the motor vehicle and any lienholder.

36 (3) Upon proper application, the chief administrator shall issue a
37 salvage certificate of title or a junk title certificate, as appropriate,
38 in the name of the salvage processor, which shall extinguish any
39 existing liens against the motor vehicle. If the salvage processor
40 sells the motor vehicle, the salvage certificate of title or junk title
41 certificate shall be assigned to the buyer and the vehicle shall be
42 transferred without any liens against it.

43 g. The chief administrator shall be immune from liability for
44 any errors or misrepresentations made by an insurer pursuant to
45 subsections c., d., and e. of this section or by a salvage processor
46 pursuant to subsection f. of this section.

47 h. Notwithstanding the provisions of this section, an insurer
48 licensed to do business in this State shall not be required to submit

1 with an application for a certificate of ownership or salvage title
2 any document from the insurer providing proof of power of
3 attorney.

4 i. Notwithstanding any provision of law to the contrary, the
5 chief administrator shall not require a notarized signature on the
6 certificate of ownership surrender statement, submitted pursuant to
7 subsection a. of this section, that is from a person who has received
8 or is due to receive a total loss settlement from an insurer, or on a
9 document authorizing the insurer or insurer's agent to act as power
10 of attorney, in order to obtain a certificate of ownership or a salvage
11 certificate of title.

12 (cf: P.L.2015, c.208, s.1)

13

14 2. This act shall take effect immediately.

15

16

17

STATEMENT

18

19 This bill prohibits the New Jersey Motor Vehicle Commission
20 (MVC) from requiring an motor vehicle insurer (insurer), licensed
21 to do business in New Jersey that settles a total loss claim with the
22 owner of a motor vehicle, to submit any document providing a
23 power of attorney with regard to an application to the MVC by the
24 insurer for the transfer of a motor vehicle certificate of ownership to
25 the insurer or a salvage certificate of title for the motor vehicle.
26 Further, the bill prohibits the MVC's Chief Administrator from
27 requiring a notarized signature on a motor vehicle certificate of
28 ownership surrender statement from a person who has received or is
29 due to receive a total loss settlement from an insurer, or on a
30 document authorizing the insurer or insurer's agent to act as power
31 of attorney, in order to obtain a certificate of ownership or a salvage
32 certificate of title.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 2882

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 8, 2020

The Senate Transportation Committee reports favorably and with committee amendments Senate Bill No. 2882.

As amended and reported, this bill provides that a motor vehicle insurer (insurer), licensed to do business in New Jersey that settles a total loss claim with the owner of a motor vehicle, is not required to submit any document from the insurer providing proof of power of attorney when submitting an application to the New Jersey Motor Vehicle Commission (MVC) for a motor vehicle certificate of ownership or a salvage certificate of title. Further, the bill provides that notarization of the signature or electronic signature of the owner of a motor vehicle who has received or is due to receive a total loss settlement from an insurer is not required on a power of attorney or other document supporting an application for a certificate of ownership or salvage certificate of title submitted by an insurer or an agent of an insurer.

The committee amended the bill to:

- clarify that notarization of a signature or electronic signature of the owner of a motor vehicle who has received or is due to receive a total loss settlement from an insurer is not required on a power of attorney or other document supporting an application for a certificate of ownership or a salvage certificate of title submitted by an insurer or an agent of an insurer;
- remove a provision that provides that the Chief Administrator of the MVC is prohibited from requiring a notarized signature on the certificate of ownership surrender statement under certain circumstances; and
- change a reference to “salvage title” in the bill to “salvage certificate of title.”

SENATE COMMERCE COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2882

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 16, 2021

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 2882 (1R).

As amended, this bill provides that a motor vehicle insurer (insurer) licensed to do business in this State is permitted to submit with an application for a certificate of ownership or salvage certificate of title a power of attorney executed electronically by a person who has received or is due to receive a total loss settlement from an insurer in a form and in a format to be prescribed by the Chief Administrator of the New Jersey Motor Vehicle Commission (chief administrator).

A power of attorney signed electronically is not required to be notarized but is to, at a minimum, meet security requirements prescribed by the chief administrator.

The chief administrator is authorized to adopt regulations to implement the provisions of the bill, and may prescribe the form and format of an electronically signed power of attorney and any additional security requirements the chief administrator deems necessary, including any requirements to ensure that any power of attorney signed electronically complies with federal odometer disclosure requirements under 49 C.F.R. s.580.1 et seq.

As amended and reported by the committee, Senate Bill No. 2882 (1R) is identical to Assembly Bill No.4521 (1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS

The committee amended the bill by removing the existing provisions to replace it with language that:

(1) allows a New Jersey-licensed insurer to submit with an application for a certificate of ownership or salvage certificate of title a power of attorney electronically by a person who received or is due to receive a total loss settlement from the insurer;

(2) stipulates that a power of attorney signed electronically is not required to be notarized but is to meet minimum security requirements;

(3) authorizes the Chief Administrator of the New Jersey Motor Vehicle Commission to adopt regulations to implement the provisions of the bill; and

(4) alters the effective date to be twelve months after enactment of the bill.