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P.L. 2003, CHAPTER 217, *approved January 9, 2004*
Assembly, No. 198 (*First Reprint*)

1 AN ACT concerning motor vehicle titles, amending R.S.39:10-24 and
2 supplementing chapter 21 of Title 2C of the New Jersey Statutes.

3

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

6

7 1. R.S.39:10-24 is amended to read as follows:

8 39:10-24. A person who[

9 a. Knowingly] ¹purposely or¹ knowingly ¹[or willfully]¹ violates
10 a provision of this chapter for which [does not provide for] a specific
11 penalty[;

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

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

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

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

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

23 Shall be guilty of a misdemeanor and punished by a fine not
24 exceeding two thousand dollars (\$2,000.00) or by imprisonment not
25 exceeding two years, or both, at the court's discretion, and shall
26 immediately return the title papers involved to the commissioner] is
27 not provided herein shall be subject to the penalty provided in section
28 2 of P.L. c. (C.) (now pending before the Legislature as this
29 bill).

30 (cf: P.L.1946, c.136, s.20)

31

32 2. (New section) a. A person who ¹purposely or¹ knowingly ¹[or
33 willfully]¹ violates a provision of chapter 10 of Title 39 of the Revised
34 Statutes, for which a specific penalty is not provided in that chapter or
35 this section, shall be guilty of a crime of the fourth degree.

36 b. A person who ¹purposely or¹ knowingly ¹[or willfully]¹
37 commits the following violations of chapter 10 of Title 39 of the
38 Revised Statutes shall be guilty of a crime of the third degree:

39 (1) ¹[Knowingly or willfully makes] Makes¹ a misrepresentation or

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ALP committee amendments adopted March 4, 2002.

1 false statement in any title papers or other papers submitted to the
2 Director of the Division of Motor Vehicles in connection therewith;

3 (2) Purchases, receives or obtains a motor vehicle on a title paper
4 in violation of chapter 10 of Title 39 of the Revised Statutes;

5 (3) Forges, changes or counterfeits a part of title papers;

6 (4) Misrepresents a number placed on a motor vehicle by the
7 manufacturer, or in any other manner misrepresents the description of
8 a motor vehicle; or

9 (5) Uses title papers on or for a wrong motor vehicle, with intent
10 to evade or violate the requirements of chapter 10 of Title 39 of the
11 Revised Statutes.

12

13 3. This act shall take effect immediately.

14

15

16

17

18 Makes vehicle title fraud a third degree crime.

ASSEMBLY, No. 198

STATE OF NEW JERSEY 210th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2002 SESSION

Sponsored by:

Assemblyman GARY L. GUEAR, SR.

District 14 (Mercer and Middlesex)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

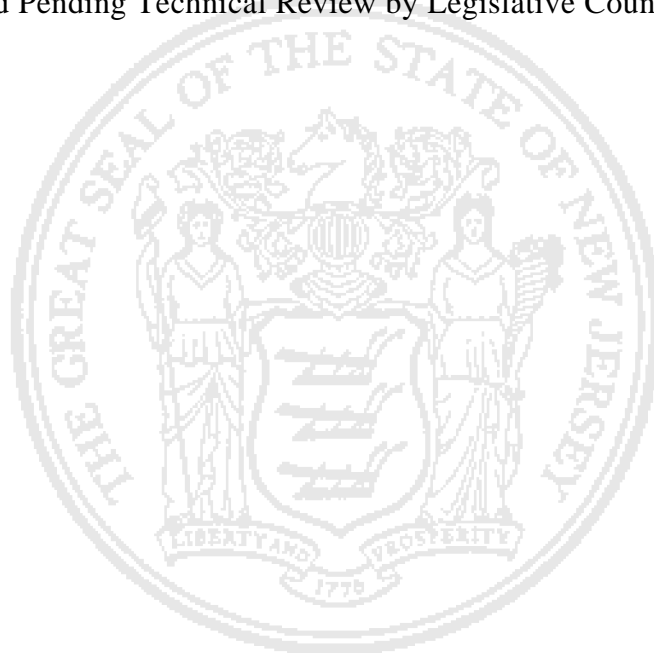
Assemblywoman Greenstein and Assemblyman Impreveduto

SYNOPSIS

Makes vehicle title fraud a third degree crime.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning motor vehicle titles, amending R.S.39:10-24 and
2 supplementing chapter 21 of Title 2C of the New Jersey Statutes.

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

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7 1. R.S.39:10-24 is amended to read as follows:

8 39:10-24. A person who[:

9 a. Knowingly] knowingly or willfully violates a provision of this
10 chapter for which [does not provide for] a specific penalty[;

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

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

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

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

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

22 Shall be guilty of a misdemeanor and punished by a fine not
23 exceeding two thousand dollars (\$2,000.00) or by imprisonment not
24 exceeding two years, or both, at the court's discretion, and shall
25 immediately return the title papers involved to the commissioner] is
26 not provided herein shall be subject to the penalty provided in section
27 2 of P.L....c..(C..)(now pending before the Legislature as this bill).

28 (cf: P.L.1946, c.136, s.20)

29

30 2. (New section) a. A person who knowingly or willfully violates
31 a provision of chapter 10 of Title 39 of the Revised Statutes, for which
32 a specific penalty is not provided in that chapter or this section, shall
33 be guilty of a crime of the fourth degree.

34 b. A person who knowingly or willfully commits the following
35 violations of chapter 10 of Title 39 of the Revised Statutes shall be
36 guilty of a crime of the third degree:

37 (1) Knowingly or willfully makes a misrepresentation or false
38 statement in any title papers or other papers submitted to the Director
39 of the Division of Motor Vehicles in connection therewith;

40 (2) Purchases, receives or obtains a motor vehicle on a title paper
41 in violation of chapter 10 of Title 39 of the Revised Statutes;

42 (3) Forges, changes or counterfeits a part of title papers;

43 (4) Misrepresents a number placed on a motor vehicle by the

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

Matter underlined thus is new matter.

1 manufacturer, or in any other manner misrepresents the description of
2 a motor vehicle; or

3 (5) Uses title papers on or for a wrong motor vehicle, with intent
4 to evade or violate the requirements of chapter 10 of Title 39 of the
5 Revised Statutes.

6

7 3. This act shall take effect immediately.

8

9

10 STATEMENT

11

12 This bill increases the penalties for offenses involving
13 misrepresentation and fraud in connection with motor vehicle titles.
14 It is intended to address the recent wave of odometer frauds that have
15 been perpetrated in New Jersey following the privatization of Division
16 of Motor Vehicles (DMV) agencies four years ago.

17 New Jersey has become a magnet for criminals who roll back
18 vehicle odometer mileage to defraud buyers, according to a
19 representative of the National Highway Traffic Safety Administration,
20 as quoted in news reports. This situation apparently developed
21 because personnel in the privatized agencies were not adequately
22 trained to spot titles with altered mileage. Vehicle odometers are
23 rolled back and their titles falsified in other states. Then they are
24 laundered, sometimes en masse, through New Jersey motor vehicle
25 agencies to obtain valid titles. The "low mileage" vehicles bearing
26 these titles are then sold to unsuspecting buyers at a significant profit.

27 The offense of title laundering is a misdemeanor, which is treated
28 as a crime of the fourth degree under current law and is punishable by
29 a prison term of up to 18 months, a fine of up to \$10,000, or both.
30 This bill would make title laundering a crime of the third degree,
31 punishable by a prison term of three to five years, a fine of up to
32 \$15,000, or both. The bill places this penalty in Title 2C, the State
33 criminal code.

ASSEMBLY LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 198

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 4, 2002

The Assembly Law and Public Safety Committee reports favorably and with committee amendments Assembly Bill No. 198.

Assembly Bill No. 198 increases the penalties for offenses involving misrepresentation and fraud in connection with motor vehicle titles. According to the sponsor, it is intended to address the recent wave of odometer frauds that have been perpetrated in New Jersey following the privatization of Division of Motor Vehicles agencies four years ago.

New Jersey has become a magnet for criminals who roll back vehicle odometer mileage to defraud buyers, according to a representative of the National Highway Traffic Safety Administration, as quoted in news reports. This situation apparently developed because personnel in the privatized agencies were not adequately trained to spot titles with altered mileage. Vehicle odometers are rolled back and their titles falsified in other states. Then they are laundered, sometimes en masse, through New Jersey motor vehicle agencies to obtain valid titles. The "low mileage" vehicles bearing these titles are then sold to unsuspecting buyers at a significant profit.

The offense of title laundering is a misdemeanor, which is treated as a crime of the fourth degree under current law and is punishable by a prison term of up to 18 months, a fine of up to \$10,000, or both. This bill would make title laundering a crime of the third degree, punishable by a prison term of three to five years, a fine of up to \$15,000, or both. The bill places this penalty in Title 2C, the State criminal code.

The committee amended the bill to replace references to "knowingly or willfully" with "purposely or knowingly" to conform to current usage in Title 2C.

This bill was pre-filed for introduction in the 2002 legislative session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE LAW AND PUBLIC SAFETY AND VETERANS'
AFFAIRS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 198

STATE OF NEW JERSEY

DATED: JANUARY 27, 2003

The Senate Law and Public Safety and Veterans' Affairs Committee reports favorably Assembly Bill No. 198 (1R).

This bill increases the penalties for offenses involving misrepresentation and fraud in connection with motor vehicle titles. According to the sponsor, it is intended to address the recent wave of odometer frauds that have been perpetrated in New Jersey following the privatization of Division of Motor Vehicles agencies four years ago.

The offense of title laundering is a misdemeanor, which is treated as a crime of the fourth degree under current law and is punishable by a prison term of up to 18 months, a fine of up to \$10,000, or both. This bill would make title laundering a crime of the third degree, punishable by a prison term of three to five years, a fine of up to \$15,000, or both. The bill places this penalty in Title 2C, the State criminal code.

New Jersey has become a magnet for criminals who roll back vehicle odometer mileage to defraud buyers, according to a representative of the National Highway Traffic Safety Administration as quoted in news reports. This situation apparently developed because personnel in the privatized agencies were not adequately trained to spot titles with altered mileage. Vehicle odometers are rolled back and their titles falsified in other states. Then they are laundered, sometimes en masse, through New Jersey motor vehicle agencies to obtain valid titles. The "low mileage" vehicles bearing these titles are then sold to unsuspecting buyers at a significant profit.

SENATE, No. 1390

STATE OF NEW JERSEY
210th LEGISLATURE

INTRODUCED MARCH 25, 2002

Sponsored by:

Senator PETER A. INVERSO

District 14 (Mercer and Middlesex)

Senator JOHN A. GIRGENTI

District 35 (Bergen and Passaic)

SYNOPSIS

Makes vehicle title fraud a third degree crime.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/28/2003)

S1390 INVERSO, GIRGENTI

2

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2 supplementing chapter 21 of Title 2C of the New Jersey Statutes.

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9 a. Knowingly] purposely or knowingly [or willfully] violates a
10 provision of this chapter for which [does not provide for] a specific
11 penalty[;

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

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

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

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

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

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

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32 2. (New section) a. A person who purposely or knowingly
33 violates a provision of chapter 10 of Title 39 of the Revised Statutes,
34 for which a specific penalty is not provided in that chapter or this
35 section, shall be guilty of a crime of the fourth degree.

36 b. A person who purposely or knowingly commits the following
37 violations of chapter 10 of Title 39 of the Revised Statutes shall be
38 guilty of a crime of the third degree:

39 (1) Makes a misrepresentation or false statement in any title papers
40 or other papers submitted to the Director of the Division of Motor
41 Vehicles in connection therewith;

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

Matter underlined thus is new matter.

1 (2) Purchases, receives or obtains a motor vehicle on a title paper
2 in violation of chapter 10 of Title 39 of the Revised Statutes;

3 (3) Forges, changes or counterfeits a part of title papers;

4 (4) Misrepresents a number placed on a motor vehicle by the
5 manufacturer, or in any other manner misrepresents the description of
6 a motor vehicle; or

7 (5) Uses title papers on or for a wrong motor vehicle, with intent
8 to evade or violate the requirements of chapter 10 of Title 39 of the
9 Revised Statutes.

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14 STATEMENT

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SENATE LAW AND PUBLIC SAFETY AND VETERANS'
AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1390

STATE OF NEW JERSEY

DATED: JANUARY 27, 2003

The Senate Law and Public Safety and Veterans' Affairs Committee reports favorably Senate Bill No. 1390.

This bill increases the penalties for offenses involving misrepresentation and fraud in connection with motor vehicle titles. According to the sponsor, it is intended to address the recent wave of odometer frauds that have been perpetrated in New Jersey following the privatization of Division of Motor Vehicles agencies four years ago.

The offense of title laundering is a misdemeanor, which is treated as a crime of the fourth degree under current law and is punishable by a prison term of up to 18 months, a fine of up to \$10,000, or both. This bill would make title laundering a crime of the third degree, punishable by a prison term of three to five years, a fine of up to \$15,000, or both. The bill places this penalty in Title 2C, the State criminal code.

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