

11:6-2.12 Minimal WCMCO treatment standards and protocols

(a) The [number of providers utilized by a WCMCO should be adequate to] **WCMCO shall** ensure that workers [of employers] covered by the WCMCO are able to receive, at a minimum, the following services:

1. [Receive initial] **Initial** treatment by a participating physician within 72 hours (depending on the nature of the injury or illness) of the WCMCO's knowledge of the necessity or request for treatment;

2. [Receive initial] **Initial** treatment by a participating physician in the WCMCO within five working days or as soon thereafter as practicable, following treatment by a physician outside the WCMCO;

3. [Receive screening] **Screening** and treatment, if necessary, by [an] a WCMCO physician in cases requiring in-patient hospitalization;

4. (No change.)

5. [Receive treatment] **Treatment** by a non-WCMCO medical service provider at the direction of the care coordinator physician when the worker resides outside the WCMCO's geographical service area. The care coordinator physician may only select a non-WCMCO provider who practices closer to the worker's residence than [an] a WCMCO provider of the same category if that non-WCMCO provider agrees to the terms and conditions of the WCMCO;

6. [Receive specialized] **Specialized** medical services the WCMCO is not otherwise able to provide. The WCMCO's application shall include a description of the places and protocol of providing such specialized medical services; and

7. [Receive emergency] **Emergency** treatment in accordance with procedures that provide that in a potentially life threatening condition, the 911 emergency response system should be called or the [member] **worker** should be taken to the nearest hospital emergency [room] **department**. [For fixed work sites, an WCMCO may instead submit alternative emergency treatment procedures that provide equivalent promptness of treatment and level of care.]

TRANSPORTATION

(a)

MOTOR VEHICLE COMMISSION

LICENSING SERVICE

New Jersey Licensed Motor Vehicle Dealers

Proposed Amendments: N.J.A.C. 13:21-15

Authorized By: Raymond P. Martinez, Chairman, Motor Vehicle Commission.

Authority: N.J.S.A. 39:2A-21, 39:2A-28, 39:10-4, 39:10-19, and 39:10-20.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2016-092.

Submit comments by August 19, 2016, to:

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Regulatory and Legislative Affairs
Motor Vehicle Commission
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or via e-mail to: rulecomments@mvc.nj.gov

The agency proposal follows:

Summary

This notice of proposal is exempted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5. Since this notice is not listed in the agency rulemaking calendar, the public comment period for this notice will be 60 days.

The Motor Vehicle Commission (Commission) proposes to amend certain provisions of N.J.A.C. 13:21-15.1.

N.J.A.C. 13:21-15.1, Definitions, is proposed for amendment to include leasing dealers in this subchapter. The definition of "leasing

dealer" is for deletion and replacement, for consistency, to use the existing definition found in N.J.S.A. 56:12-61. The definition of "business of buying, selling, or dealing in motor vehicles" is proposed for amendment to include the auctioning of motor vehicles. Finally, new definitions for the terms "employee", "person" and "dealer" are proposed to help clarify the requirements currently in this subchapter.

N.J.A.C. 13:21-15.2, Application, is proposed for amendment to include leasing dealers and to exclude vehicles that are not required to be sold under a franchise agreement, pursuant to N.J.S.A. 56:10-26 through 31, and to incorporate the allowances of P.L. 2015, c. 24, effective March 18, 2015. These allowances permit certain licensed franchisors exclusively of zero emission vehicles, who operate no more than four places of business in the State, and have at least one retail facility for servicing said vehicles, to buy or sell zero emission vehicles to consumers. The amendments also propose to codify that licensed dealers are required to produce documentation that their designated authorized signatories meet the definition of an authorized signatory in N.J.A.C. 13:21-15.1.

N.J.A.C. 13:21-15.3, Proper person, is proposed for amendment to specifically exclude leasing dealers from the provision that the dealer be a motor vehicle franchisee in order to be deemed a "proper person." The amendment also proposes language to incorporate the allowances of P.L. 2015, c. 24, effective March 18, 2015.

N.J.A.C. 13:21-15.4, Established place of business, is proposed for amendment to define what is required for a leasing dealer to meet the established place of business requirement. Specifically, a leasing dealer must have a permanent business location at the address submitted in the leasing dealer's application. The proposed amendment also includes additional language in subsection (c) to define the representation requirement for authorized signatories. To ensure greater service and accountability of motor vehicle dealers and leasing dealers, the Commission proposes to require that an authorized signatory must also be present on the licensed premises, so that the public and Commission staff have adequate access to the licensee and the licensee's records.

N.J.A.C. 13:21-15.4 is proposed to further amend the business premises requirements. The Commission proposes to limit the grandfather clause described in N.J.A.C. 13:21-15.4(a)4, regarding existing places of business to only the structures that existed prior to March 6, 2006. The proposed amendment clarifies that the exception does not extend to any new construction or additions made outside of the existing footprint of the building on or after March 6, 2006. The Commission is also proposing to amend, for the purpose of clarity, N.J.A.C. 13:21-15.4(d) regarding the premises requirements for licensed dealers occupying the same building or street address as another business. The amendments update the building code reference to reflect the currently used International Building Code, adopted by the New Jersey Uniform Construction Code pursuant to N.J.A.C. 5:23-3.14, as updated. The amendment also specifies that buildings with an approved fire suppression system where at least one motor vehicle dealer was licensed prior to 2006 may be approved as a business location for motor vehicle dealers, as long as the businesses' offices are separated by a standard wall.

N.J.A.C. 13:21-15.5, Grounds for rejection, suspension, or revocation of a dealer license or issuance of a cease and desist order, is proposed for amendment to incorporate the statutorily defined authority in N.J.S.A. 39:10-20 for the Chief Administrator to issue fines, in addition to a license rejection, suspension, or revocation, or issue a cease and desist order, for violations of Title 39, Chapter 10 of the New Jersey Statutes or any rule made pursuant to Title 39, Chapter 10.

N.J.A.C. 13:21-15.6, Transfer of ownership without title; presentation or reassignment of altered title documents; suspension; period of suspension; refusal to renew license, is proposed for amendment to include leasing dealers in the requirements for transfer of title of motor vehicles.

N.J.A.C. 13:21-15.8, Informing purchaser of dealer's responsibilities; suspension, revocation or refusal to renew license due to noncompliance, is proposed for amendment to be consistent with N.J.S.A. 39:8-2(c), concerning the frequency of inspections for later model cars, to be five model years, rather than four.

N.J.A.C. 13:21-15.9, Temporary registrations issued by licensed motor vehicle dealers for vehicles that are to be permanently registered in New Jersey, is proposed for amendment to define a new structure for the issuance of temporary registrations for vehicles permanently registered in New Jersey. The proposed rule requires each licensee, including leasing dealers, to sell a minimum number of vehicles in order to be eligible for and retain temporary registration privileges.

N.J.A.C. 13:21-15.10, Nonresident temporary registrations issued by licensed motor vehicle dealers, is proposed for amendment to define a new structure for the issuance of temporary registrations for vehicles that will not be permanently registered in New Jersey. The proposed rules require each licensee, including leasing dealers, to sell a minimum number of vehicles in order to be eligible for and retain temporary registration privileges.

N.J.A.C. 13:21-15.11, Dealer plates, is proposed for amendment to define a new structure for the distribution of dealer and leasing dealer plates and establishing guidelines for obtaining or retaining dealer or leasing dealer plates. The proposed rules require each licensee to sell a minimum number of vehicles in order to be eligible for dealer or leasing dealer plates.

N.J.A.C. 13:21-15.13, Investigations, is proposed for amendment to include leasing dealers as entities the Chief Administrator may audit. Subsection (d) is proposed for amendment to include the Chief Administrator’s ability to issue a fine pursuant to N.J.S.A. 39:10-20.

N.J.A.C. 13:21-15.15, Emergency disciplinary action, is proposed for amendment to include the ability to issue a preliminary suspension of a leasing dealer’s license in the event of an emergent situation in which ongoing fraud, lack of insurance, destruction or vacation of premises, or other circumstances would jeopardize the integrity of the Commission’s title records and the ability to prevent traffic in stolen or fraudulently titled vehicles.

Social Impact

The proposed amendments will have a positive impact on society as a whole, as their intended effect is to provide additional oversight of motor vehicle dealers and leasing dealers, more closely control and reduce fraud in the use of dealer and leasing dealer plates and the issuance of temporary registrations and provide for increased accountability of all licensees.

Economic Impact

The proposed amendments will not have a direct economic impact on the general public. The Commission anticipates that the implementation of the proposed amendments will have little or no economic effect on the Commission itself. The Commission anticipates that the economic impact on motor vehicle dealers and leasing dealers, if any, will be minimal. Some motor vehicle dealers who currently employ individuals who serve as authorized signatories for more than one motor vehicle dealer simultaneously may be required to hire additional personnel in order to meet the requirement that an authorized signatory serve only one dealer at a time.

Jobs Impact

The Commission anticipates that a minimal number of additional jobs will be created as a result of the proposed amendments, in order for licensees in multi-dealer complexes to comply with the requirement that authorized signatories may only serve one dealer at a time.

Federal Standards Statement

A Federal standards analysis is not required because the rules governing motor vehicle dealers and leasing dealers are dictated by State statute and are not subject to Federal requirements or standards.

Agriculture Industry Impact

The proposed amendments will have no impact on the agriculture industry because the amended rules pertain to the licensing and oversight of motor vehicle dealers and leasing dealers.

Regulatory Flexibility Analysis

The majority of licensed motor vehicle dealers and leasing dealers in New Jersey are small businesses employing fewer than 100 full-time employees. The proposed amendments impose additional compliance requirements in that licensees will now be responsible for demonstrating

annual retail sales and/or lease numbers to be eligible for general registration plates or to issue temporary registrations. Motor vehicle dealers are currently required to keep thorough documentation of their vehicle sales and are required to supply the Commission with the documentation upon request. However, the Commission does not currently require licensees to provide documentation of retail sales and/or leases in order to be eligible for and retain certain privileges. The cost of compliance with this requirement will be administrative in nature and will not require any additional professional services. This requirement must be uniform for all applicants and licensees in order to ensure adherence to statutory requirements. Accordingly, an exemption from the reporting, recordkeeping, and compliance requirements of the proposed amendments is not warranted.

Housing Affordability Impact Analysis

The proposed amendments will have no impact on the affordability of housing and there is an extreme unlikelihood that the rules would evoke a change in average costs associated with housing because they pertain solely to the licensing and oversight of motor vehicle dealers and leasing dealers.

Smart Growth Development Impact Analysis

The proposed amendments will have an insignificant impact on smart growth and are extremely unlikely to evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain solely to the licensing and oversight of motor vehicle dealers and leasing dealers.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 15. NEW JERSEY LICENSED MOTOR VEHICLE DEALERS AND LEASING DEALERS

13:21-15.1 Definitions

The following terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

“Applicant” means any person applying for an initial license to engage in the business of buying, selling, or dealing in motor vehicles, **leasing motor vehicles**, or for a renewal of an existing license and shall include all partners, officers, directors, and persons having a controlling interest in a sole proprietorship, limited liability company, corporation, or other business entity.

“Authorized signatory” means a dealer **or leasing dealer** and any employee, officer, director, partner, or other holder of an ownership interest in the licensed business, which person is authorized to execute documents on behalf of the dealer **or leasing dealer**, but shall not include any attorney in fact who is not an employee, officer, director, partner, or holder of an ownership interest.

“Business of buying, selling or dealing in motor vehicles” means engaging in the business of buying or selling motor vehicles on one’s own account or on behalf of another or participating in any transaction, including **the brokerage or auctioning of motor vehicles**, which transaction involves the transfer of title or of legal or beneficial ownership of a motor vehicle.

“**Dealer**” or “**motor vehicle dealer**” means any natural person or entity that is engaged in the business of buying, selling, or dealing in motor vehicles. Such person or entity is required to hold a dealer license pursuant to N.J.S.A. 39:10-19 et seq.

“**Employee**” means a person who works under the direction and control of another, in return for financial or other compensation, and provides services as an agent for the employer.

[“Leasing dealer” means an entity licensed solely to sell motor vehicles formerly leased for 120 days or more to their lessees, to members of the lessees’ families or to a licensed dealer at the termination of the respective leases.]

“**Licensing dealer**” means a licensed entity whose leasing activities are limited to buying motor vehicles for the purpose of leasing them and selling motor vehicles at the termination of a lease, and who, in the ordinary course of business, offers or enters into motor vehicle

leases or who in the course of any 12-month period offers or enters into more than three motor vehicle leases.

“Licensee,” [or] “**licensed dealer,**” or “**person**” means any natural person or entity that is licensed to buy, sell, or deal in, or lease, motor vehicles pursuant to N.J.S.A. 39:10-19 et. seq., other than leasing dealer.]

13:21-15.2 Application

(a) An application for a dealer or **leasing dealer** license required to be obtained under the provisions of N.J.S.A. 39:10-19 shall be verified by an oath or affirmation of the applicant and shall be on forms prescribed by the Commission and furnished to such applicants.

(b)-(e) (No change.)

(f) At the time of initial application, the applicant shall submit a list of all proposed authorized signatories to be listed on the license application and the licensee shall notify the Commission within 10 days of any change in that list on forms prescribed by the Commission; every application shall include an affidavit by each authorized signatory that he or she has [not] **neither** been convicted of a crime arising out of fraud or misrepresentation nor previously held a license issued by the Chief Administrator or the Commission, which license was revoked and not reissued. **Upon request from the Chief Administrator, the licensee shall produce documentation demonstrating that each authorized signatory meets the definition of authorized signatory.**

(g)-(k) (No change.)

(l) At some time during the application process prior to licensure, the applicant shall submit a certificate of insurance demonstrating liability insurance covering all vehicles owned or operated by the [dealer] **applicant**, at his or her request or with his or her consent. This insurance shall be in the amount of \$100,000 per person per incident up to \$250,000 per incident for bodily injury or death, \$25,000 per incident for property damage, and \$250,000 combined personal injury and property damage per incident. This insurance shall be renewed as necessary to ensure that it remains valid for the entire prospective license term.

(m) [As of April 1, 2014, at] **At** the time of initial application, an applicant who intends to sell new motor vehicles shall submit a copy of the applicant’s franchise agreement(s) with [the] **any** motor vehicle [manufacturer(s) whose makes and models the applicant is franchised to sell.] **franchisor, as defined in N.J.S.A. 56:10-26. This requirement shall not apply to vehicles or franchisors specifically exempt from N.J.S.A. 56:10-26 through 31.**

1. [As of April 1, 2014, an] **An** applicant for renewal shall submit a copy of the applicant’s franchise agreement(s) with [the] **any** motor vehicle [manufacturer(s) whose makes and models the applicant is franchised to sell] **franchisor, as defined in N.J.S.A. 56:10-26.**

(n) (No change.)

13:21-15.3 Proper person

(a) In order to be considered a proper person, an applicant must:

1.-3. (No change.)

4. Be a motor vehicle franchisee under N.J.S.A. 56:10-26.d, as evidenced by the franchise agreement(s) referenced in N.J.A.C. 13:21-15.2(m). **This requirement does not apply to leasing dealer license applicants or franchisors exempt from the franchise requirements under N.J.S.A. 56:10-27.1.**

(b) (No change.)

13:21-15.4 Established place of business

(a) All licensees, **except leasing dealers**, shall maintain a permanent, properly identified location, as set forth at (a)1 and 2 below, at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business, including, but not limited to, all documents required by N.J.S.A. 39:10-6, all payroll records, **including, but not limited to, W4 or W2 records, and all records required under N.J.A.C. 12:56-4**, checkbooks, and ledgers for business accounts and trust accounts, all unissued temporary registrations, dealer reassignments, corporate authorities and licenses, dealer plates, and ledgers listing all issued and unissued temporary registrations, dealer assignments, and dealer plates. In the event that a dealership maintains branches or a licensee operates multiple licensed dealerships under common ownership or control (a dealership group), and the remaining requirements of this

subsection are met at each dealership branch site or each individual dealership site within a dealership group, records that are not immediately necessary for the conduct of current business at a dealership branch site or an individual dealership site within a dealership group may be maintained at the main or principal location of the dealership or dealership group or at a centralized recordkeeping facility.

1. [As of April 1, 2014, all] **All** licensees selling new motor vehicles shall maintain a permanent, properly identified location of not less than a total of 1,000 square feet, on one or more than one floor, within a permanent, enclosed building and where there are included or immediately contiguous, clearly identified, fixed facilities to display at least two automobiles and equipment to service motor vehicles as required by N.J.S.A. 39:10-19.

2.-3. (No change.)

4. A dealer licensed prior to March 6, 2006 may continue to maintain a place of business that does not meet the square footage and display space requirements of this subsection, as amended; provided, that the premises meets and continues to meet the requirements of this section prior to March 6, 2006. **New construction or additions extending beyond the existing perimeter of the building shall not be included in the above exception and a proposed place of business located in such new construction or addition must meet all of the requirements in this section.**

5. **A leasing dealer must have a permanent business location at the address submitted in the leasing dealer’s application, at which place shall be kept and maintained the books, records, and files necessary to conduct the business. In the event the leasing dealer maintains branches or operates multiple licensed locations under common ownership or control, records not immediately necessary for the conduct of current business at a leasing dealership branch site or an individual leasing dealership site may be maintained at the main or principal location of the leasing dealership or at a centralized recordkeeping facility, provided the records are available to the Commission upon the Commission’s request.**

(b) (No change.)

(c) The licensee or an authorized signatory shall be present at the dealership or **leasing dealership** at all times during the business hours set forth in the application for licensure, which schedule shall be conspicuously posted along with the dealer’s or **leasing dealer’s** license on the [dealer’s] **licensee’s** premises in an area readily accessible to the public.

1. (No change.)

2. **An authorized signatory shall not simultaneously represent more than one licensee at any given time during the business hours set forth in the licensee’s application for licensure, for purposes of this section.**

(d) A proposed place of business will not be considered suitable for approval if there already exist one or more licenses issued for, or other business entities present at, the same premises, except where there is absolutely common identity of ownership or where an affiliated motor vehicle leasing company is also licensed as a motor vehicle dealer and in such cases a record of the transactions of each licensed dealer shall be separately maintained[; a]. A proposed place of business is deemed to occupy the same premises as another dealership if the two facilities [are]:

1. **Are** not completely separated by exterior walls or a firewall conforming to [National] **Section 706 of the 2009 International Building Code, New Jersey Edition** requirements, [they do] **as adopted by the New Jersey Department of Community Affairs as the Uniform Construction Code pursuant to N.J.A.C. 5:23-3.14. Applicants and licensees shall submit proof of compliance with the firewall requirement certified by a New Jersey-licensed engineer, New Jersey-licensed architect, or municipal code official.**

i. **For a proposed place of business located in a building housing more than one business, within which there was at least one licensed dealer and one other business prior to March 6, 2006, and where there is a fire suppression system approved by a local building code official or the New Jersey Department of Community Affairs, walls must be either exterior walls or standard walls constructed separately from any other wall. A proposed place of business meeting this criteria must also be certified to meet the requirements stated in**

this section by a New Jersey-licensed engineer, New Jersey-licensed architect, or municipal code official.

ii. For the purposes of this subsection, a standard wall shall be a typical wall section at least eight feet in height, consisting of 2" X 4" wood or metal studs with one layer of 5/8 inch gypsum wall board on each side.

iii. A proposed place of business located in new construction or in an addition over, or in an addition extending beyond the existing perimeter of, a building subject to this subsection shall meet the firewall requirement of this subsection.

2. Do not have separate entrances[, or they do];

3. Do not have separate, fixed, clearly identified display facilities[.];

4. Do not have separate mailboxes[.]; and

5. Do not have separate, fixed-location (that is, not mobile or cellular) telephone systems.

(e) Any licensed dealer **or leasing dealer** who intends to change his or her business location or to open a branch operation must notify the Dealer Licensing Section of the Commission in writing at least 30 days prior to doing so.

1. In order to obtain approval of a new or a branch location, the [dealer's] **licensee's** notification to the Commission shall include a description of the proposed location, which description shall contain sufficient information to demonstrate that the premises will meet all the criteria set forth in this section.

(f) No [licensed dealer] **licensee** may relocate his or her business location or open a branch location until after notification that the site is approved by the Commission.

(g) All business records including, but not limited to, those set forth in (a) and (d) above, shall be maintained for three years on the licensed premises and shall be made available to the Commission during normal business hours on request. Records may be kept in either paper or electronic format.

1. (No change.)

(h) Every established place of business shall be equipped with office furniture and equipment, including, but not limited to, a desk, chairs, file storage, a fixed safe, electric lighting, **functioning** communications lines, and equipment and climate control, sufficient to conduct business at that location.

(i) Every established place of business shall contain a secured area accessible only to the [dealer] **licensee** and authorized signatories for the storage of controlled Commission documents.

(j) (No change.)

13:21-15.5 Grounds for rejection, suspension, or revocation of a dealer license; **finest**; or issuance of a cease and desist order

(a) The Chief Administrator may deny an application for a license, revoke or suspend a license after it has been granted, **issue fines as provided in N.J.S.A. 39:10-20**, or issue a cease and desist order to a licensee or to an unlicensed person or entity engaged in activities for which a license is required pursuant to N.J.S.A. 39:10-19 et seq. for any of the following reasons:

1.-2. (No change.)

3. The applicant was a previous holder of a license that was suspended or revoked for cause **or was subject to a fine** by the Chief Administrator and the terms of such suspension have not been satisfied, **the fine imposed has not been satisfied**, and/or the license has not been reissued;

4.-18. (No change.)

(b) (No change.)

13:21-15.6 Transfer of ownership without title; presentation or reassignment of altered title documents; suspension; period of suspension; refusal to renew license

(a) No [motor vehicle dealer licensed pursuant to N.J.S.A. 39:10-19] **licensee**, nor any person on his or her behalf, shall present to the Commission or reassign to a subsequent purchaser a motor vehicle title issued by this or any other state, province, or jurisdiction or any other title document that contains any erasure, obliteration, correction, or any other alteration where said alteration was reasonably detectable by a person of ordinary intelligence from a routine review of the motor vehicle title or any other title document.

(b) Except as provided in (c) below, no [motor vehicle dealer licensed pursuant to N.J.S.A. 39:10-19] **licensee**, nor any person on his or her behalf, shall buy, sell, or deal in any motor vehicle unaccompanied by, or in the absence of, a valid title at the time of the transaction, except as provided pursuant to N.J.S.A. 39:10-6, 39:10-9, 39:10A-15, and 39:4-56.5.

(c) (No change.)

(d) The license of a [motor vehicle dealer] **person** who violates (a) or (b) above may be suspended for the periods set forth in (e) below, pursuant to the provisions set forth in N.J.S.A. 39:10-20.

(e) For the purpose of suspending a [motor vehicle] dealer's **or leasing dealer's** license pursuant to (b) above, each document presented or reassigned shall constitute a separate violation. For a first violation the dealer's **or leasing dealer's** license may be suspended for a period less than the unexpired period of the license or 15 days, whichever period is lesser. For subsequent violations the dealer's **or leasing dealer's** license shall be suspended for a period of not less than 15 days or more than 90 days.

(f) The Chief Administrator may revoke or refuse to renew a [dealer] license where the applicant has had two or more violations of (a) and/or (b) above, which violations resulted in a suspension pursuant to (d) above.

13:21-15.8 Informing purchaser of dealer's responsibilities; suspension, revocation, or refusal to renew license due to noncompliance

(a)-(b) (No change.)

(c) Notwithstanding (b) above, in the event that the purchaser of a used passenger motor vehicle to be registered in this State does not waive, pursuant to N.J.S.A. 39:10-29, the dealer's obligation pursuant to N.J.S.A. 39:10-27, and such used passenger motor vehicle will become [four] **five** model years old within the two-month period following the calendar month of initial registration by the purchaser in this State and/or has affixed thereto an unexpired New Jersey inspection certificate of approval or inspection decal that indicates the motor vehicle is due for inspection pursuant to N.J.S.A. 39:8-1 within the two-month period following the calendar month in which such motor vehicle is initially registered by the purchaser in this State, the motor vehicle dealer shall inform the purchaser that the used passenger motor vehicle must be presented for inspection at an official inspection facility as defined in N.J.A.C. 13:20-43.1 or a private inspection facility as defined in N.J.A.C. 13:20-43.1 within 14 days of the date of issuance of the temporary authorization certificate for the motor vehicle by the Commission in order for the purchaser to exercise his or her rights under N.J.S.A. 39:10-26 through 39:10-30.

(d)-(e) (No change.)

13:21-15.9 Temporary registrations issued by licensed motor vehicle dealers **and leasing dealers** for vehicles that are to be permanently registered in New Jersey

(a) A [motor vehicle dealer, licensed pursuant to N.J.S.A. 39:10-19, and] **licensee** authorized to issue temporary registrations by the Commission, may, in accordance with this section, issue a temporary registration for a new or used vehicle to a person or entity that has purchased or leased said vehicle from such dealer **or leasing dealer** provided that said vehicle is to be permanently registered in New Jersey. A bona fide sale or lease of such vehicle is a prerequisite to the issuance of a temporary registration. Temporary registrations may be issued for passenger vehicles, noncommercial trucks, laden or unladen non-apportioned commercial vehicles, motorcycles, and motorized bicycles, and may be issued for either initial or transfer registrations. If the registrant is not transferring a registration as permitted by N.J.S.A. 39:3-30, the temporary registration shall serve as both a temporary registration and marker (license plate).

(b) Licensees selling and/or leasing fewer than four vehicles permanently registered in New Jersey through a retail sale or lease in their first 12 months of operation, or any 12-month period thereafter, are not authorized to issue temporary registrations.

1. Licensees who have been issued their initial license and are in their first 12 months of operation will be eligible to issue temporary registrations. At the end of a licensee's first 12 months of operation, the licensee shall submit the retail sales and/or lease contracts, or

other documentation deemed necessary by the Commission, to determine whether the licensee sold and/or leased at least four vehicles that were permanently registered in New Jersey during the licensee's first 12 months of operation.

2. Upon request from the Commission, the licensee shall provide documentation of its previous year's retail sales and/or leases and New Jersey registration records. Licensees not meeting the required minimum of four retail sales or leases per year may have their authorization to issue temporary registrations revoked by the Commission.

3. For the purpose of this subsection only, and pursuant to the definitions as found in N.J.S.A. 39:1-1 et seq., the sale of motorized bikes, all-terrain vehicles, dirt bikes, snowmobiles, motor-drawn vehicles, trailers, specialty vehicles, low-speed vehicles, or mobile or manufactured homes as defined in N.J.S.A. 52:27D-121, or any other non-traditional vehicle that is not required to have a motor vehicle dealer license issued by the Commission or not permitted to be used on public roads or highways does not count toward the sale and registration minimum required to obtain or maintain authorization to issue temporary registrations as required in this subsection.

4. A licensee not meeting the requirements to obtain or maintain authorization to issue temporary registrations will be notified in writing by the Commission and given an opportunity to request a hearing pursuant to N.J.A.C. 13:21-15.14.

5. Upon written application and sufficient proof of minimum retail sales and/or leases, a licensee's authorization to issue temporary registrations may be reinstated by the Commission.

[(b)] (c) A temporary registration shall not be issued pursuant to this section if the [motor vehicle] dealer or leasing dealer does not have in his or her possession a valid manufacturer's statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle, except as provided pursuant to N.J.S.A. 39:10-6, 39:10-9, 39:10A-15, and 39:4-56.5.

[(c)] (d) (No change in text.)

[(d)] (e) A temporary registration shall not be issued pursuant to this section unless the applicant therefor presents proof of current liability insurance coverage available to the vehicle as required by N.J.S.A. 39:6B-1 and/or 39:6A-3. Such proof of current liability insurance coverage shall include, but not be limited to, a valid New Jersey insurance identification card for the vehicle, the declarations page of the insurance policy for the vehicle, or an insurance policy binder for the vehicle, a copy of which card, declaration, or binder shall be retained for three years. No [dealer] person shall sell, provide, transfer, or otherwise arrange for insurance coverage required pursuant to this section unless [the dealer] he or she is an insurance producer properly licensed by the New Jersey Department of Banking and Insurance.

Recodify existing (e) and (f) as (f) and (g) (No change in text.)

[(g)] (h) A [motor vehicle dealer] licensee shall not in any way alter a previously issued temporary registration. A second temporary registration, valid for a 30-day period beyond the original temporary registration, may be issued only when permanent registration of a vehicle is delayed because the:

1.-2. (No change.)

[(h)] (i) A temporary registration is not transferable from one [motor vehicle dealer] licensee to another[, nor] or from one vehicle to another. A temporary registration shall not be lent by a [motor vehicle dealer] licensee to a customer, another [motor vehicle dealer] licensee, or any other person or entity. A temporary registration shall not be issued for vehicles titled in the name of the [motor vehicle dealer,] licensee or for vehicles covered solely by the [dealer's] licensee's insurance policy.

[(i)] (j) A [licensed motor vehicle dealer, which has been] licensee authorized to issue temporary registrations by the Commission[,] may purchase temporary registration paper stock from an approved vendor that is listed on the [Motor Vehicle] Commission's website, www.state.nj.us/mvc.

[(j)] (k) A temporary registration shall only be issued through the [motor vehicle dealer's] licensee's own account with the [Motor Vehicle] Commission's eTemp Registration Program, at a cost of \$3.00 per temporary registration, and shall be printed on a laser jet printer.

[(k)] (l) The [motor vehicle dealer] licensee or authorized signatory shall ensure that all required information is properly entered and print the temporary registration. The information shall include:

1.-7. (No change.)

8. The [motor vehicle dealer's] licensee's name and dealer or leasing dealer identification number; and

9. (No change.)

[(l)] (m) The [dealer] licensee or authorized signatory shall securely attach the temporary registration plate issued by the [motor vehicle dealer] licensee pursuant to this section to the rear license plate holder of the vehicle. No portion of the temporary registration plate shall be obstructed. For a motorcycle, a motorized bicycle, or in the event that the registrant is transferring [handicap] persons with disabilities plates or the temporary registration plate cannot otherwise be securely attached to the vehicle, the temporary registration plate shall be in the possession of the driver of such vehicle when it is being operated and shall be exhibited upon the request of any law enforcement official or authorized representative of the Commission.

[(m)] (n) The "temporary vehicle registration" portion of the temporary registration issued by a [motor vehicle dealer] licensee pursuant to this section shall be given to the registrant. This portion shall be in the possession of the driver of such vehicle when it is being operated and shall be exhibited upon the request of any law enforcement official or authorized representative of the Commission.

[(n)] (o) Any voided temporary registrations shall be kept in the possession of [such dealer] the licensee for three years from the issue date or void date, and shall be made available by the [licensed dealer] licensee for examination by authorized representatives of the Commission at any time during regular business hours. A [licensed dealer] licensee shall permit authorized Commission representatives on the premises of the licensee during regular business hours for the purpose of conducting such an examination of temporary registration records. In the event that a dealership maintains branches or a licensee operates multiple licensed dealerships under common ownership or control (a dealership group), and the remaining requirements of this subsection are met at each dealership branch site or each individual dealership site within a dealership group, records that are not immediately necessary for the conduct of current business at a dealership branch site or an individual dealership site within a dealership group may be maintained at the main or principal location of the dealership or dealership group or at a centralized recordkeeping facility.

[(o)] (p) A [motor vehicle dealer] licensee who violates any provision of this section shall, upon notice and an opportunity to be heard, have the privilege of issuing temporary registrations suspended. In addition, a [motor vehicle dealer] licensee who commits such a violation may, upon notice and an opportunity to be heard, have the [motor vehicle] dealer's or leasing dealer's license suspended or revoked, or renewal thereof refused, by the Chief Administrator pursuant to N.J.S.A. 39:10-20.

[(p)] (q) (No change in text.)

[(q)] (r) A [licensed motor vehicle dealer that has been] licensee authorized to issue temporary registrations by the Commission shall print the temporary registrations using a method and type of paper stock as set forth in [(i)] (j) and [(j)] (k) above.

Recodify existing (r) and (s) as (s) and (t) (No change in text.)

13:21-15.10 Nonresident temporary registrations issued by licensed motor vehicle dealers and leasing dealers

(a) A [motor vehicle dealer, licensed pursuant to N.J.S.A. 39:10-19, and] licensee authorized to issue temporary registrations by the Commission[,] may, in accordance with this section, issue a nonresident temporary registration for a new or used vehicle to a nonresident person or entity that has purchased or leased said vehicle from such dealer or leasing dealer while enroute to another state or Federal district, provided that said vehicle will not be permanently registered in New Jersey. A bona fide sale or lease of such vehicle is a prerequisite to the issuance of a nonresident temporary registration. Nonresident temporary registrations may be issued for passenger vehicles, noncommercial trucks, unladen non-apportioned commercial vehicles, motorcycles and motorized bicycles. The nonresident temporary registration shall serve as both a temporary registration and marker (license plate).

(b) Licensees selling and/or leasing fewer than four vehicles permanently registered in New Jersey through a retail sale or lease in their first 12 months of operation or any 12-month period thereafter are not authorized to issue nonresident temporary registrations.

1. Licensees who have been issued their initial license and are in their first 12 months of operation will be eligible to issue nonresident temporary registrations. At the end of a licensee's first 12 months of operation, the licensee shall submit the retail sales and/or lease contracts, or other documentation deemed necessary by the Commission, to determine whether the licensee sold and/or leased at least four vehicles that were permanently registered in New Jersey during the licensee's first 12 months of operation.

2. Upon request from the Commission, the licensee shall provide documentation of its previous year's retail sales and/or leases and New Jersey registration records. Licensees not meeting the required minimum of four retail sales or leases per year may have their authorization to issue nonresident temporary registrations revoked by the Commission.

3. For the purpose of this subsection only and pursuant to the definitions as found in N.J.S.A. 39:1-1 et seq., the sale of motorized bikes, all-terrain vehicles, dirt bikes, snowmobiles, motor-drawn vehicles, trailers, specialty vehicles, low-speed vehicles, or mobile or manufactured homes as defined in N.J.S.A. 52:27D-121, or any other non-traditional vehicle that is not required to have a motor vehicle dealer license issued by the Commission or not permitted to be used on public roads or highways does not count toward the sale and registration minimum required to obtain or maintain authorization to issue nonresident temporary registrations as required in this subsection.

4. A licensee not meeting the requirements to obtain or maintain authorization to issue nonresident temporary registrations will be notified in writing by the Commission and given an opportunity to request a hearing pursuant to N.J.A.C. 13:21-15.14.

5. Upon written application and sufficient proof of minimum retail sales and/or leases, a licensee's authorization to issue nonresident temporary registrations may be reinstated by the Commission.

[(b)] (c) A nonresident temporary registration shall not be issued pursuant to this section if the [motor vehicle] dealer or leasing dealer does not have in his or her possession a valid manufacturer's statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle, except as provided pursuant to N.J.S.A. 39:10-9.

Recodify existing (c)-(f) as (d)-(g) (No change in text.)

[(g)] (h) A [motor vehicle dealer] licensee shall not extend the expiration date of a nonresident temporary registration, nor issue another nonresident temporary registration to the same registrant for the same vehicle. A [motor vehicle dealer] licensee shall not in any way alter a previously issued nonresident temporary registration.

[(h)] (i) A nonresident temporary registration is not transferable from one [motor vehicle dealer] licensee to another[, nor] or from one vehicle to another. A nonresident temporary registration shall not be lent by a [motor vehicle dealer] licensee to a customer, another [motor vehicle dealer] licensee, or any other person or entity. A nonresident temporary registration shall not be issued for vehicles titled in the name of the [motor vehicle dealer] licensee or for vehicles covered solely by the [dealer's] licensee's insurance policy.

[(i)] (j) A [licensed motor vehicle dealer, which has been] licensee authorized to issue nonresident temporary registrations by the Commission[,] may purchase temporary registration paper stock from an approved vendor that is listed on the [Motor Vehicle] Commission's website, www.state.nj.us/mvc. A [licensed motor vehicle dealer, which has been] licensee authorized to issue nonresident temporary registrations through the Commission's eTemp Tag Program may issue them at a cost of \$5.00 per nonresident temporary registration.

[(j)] (k) A nonresident temporary registration shall only be issued through the [dealer's] licensee's own account and shall be printed on a laser jet printer.

[(k)] (l) The [motor vehicle dealer] licensee or authorized signatory shall ensure that all required information is properly entered and print the nonresident temporary registration. The information shall include:

1.-6. (No change.)

7. The [motor vehicle dealer's] licensee's name and dealer or leasing dealer identification number; and

8. (No change.)

[(l)] (m) [The nonresident temporary registration plate issued by a motor vehicle dealer pursuant to this section shall be securely attached by the dealer or authorized signatory] **The licensee or authorized signatory shall securely attach the nonresident temporary registration plate issued by the licensee pursuant to this section to the rear license plate holder of the vehicle.** No portion of the nonresident temporary registration plate shall be obstructed. For a motorcycle, a motorized bicycle, or in the event that the registrant is transferring [handicap] persons with disabilities plates or the nonresident temporary registration plate cannot otherwise be securely attached to the vehicle, the nonresident temporary registration plate shall be in the possession of the driver of such vehicle when it is being operated and shall be exhibited upon the request of any law enforcement official or authorized representative of the Commission.

[(m)] (n) Any voided nonresident temporary registrations shall be kept in the possession of the [dealer] licensee for three years from the issue date or void date, and shall be made available by the [licensed dealer] licensee for examination by authorized representatives of the Commission at any time during regular business hours. A [licensed dealer] licensee shall permit authorized Commission representatives on the premises of the licensee during regular business hours for the purpose of conducting such an examination of nonresident temporary registration records. In the event that a dealership maintains branches or a licensee operates multiple licensed dealerships under common ownership or control (a dealership group), and the remaining requirements of this subsection are met at each dealership branch site or each individual dealership site within a dealership group, records that are not immediately necessary for the conduct of current business at a dealership branch site or an individual dealership site within a dealership group may be maintained at the main or principal location of the dealership or dealership group or at a centralized recordkeeping facility.

[(n)] (o) A [motor vehicle dealer] licensee who violates any provision of this section shall, upon notice and an opportunity to be heard, have the privilege of issuing nonresident temporary registrations suspended. In addition, a [motor vehicle dealer] licensee who commits such a violation may, upon notice and an opportunity to be heard, have the [motor vehicle] dealer's or leasing dealer's license suspended or revoked, or renewal thereof refused, by the Chief Administrator pursuant to N.J.S.A. 39:10-20.

[(o)] (p) (No change in text.)

[(p)] (q) A [licensed motor vehicle dealer that has been] licensee authorized to issue nonresident temporary registrations by the Commission shall print them using a method and type of paper stock as set forth in [(i)] (j) and [(j)] (k) above.

Recodify existing (q) and (r) as (r) and (s) (No change in text.)

13:21-15.11 Dealer and leasing dealer plates

(a) Licensees selling or leasing fewer than four vehicles permanently registered in New Jersey through a retail sale or lease in their first 12 months of operation or any 12-month period thereafter are not authorized to obtain or retain dealer or leasing dealer plates.

1. Upon request from the Commission, a licensee shall provide documentation of its previous year's retail sales and/or leases, as applicable, and New Jersey registration records. Licensees not meeting the required minimum of four retail sales or leases per year may be required to forfeit their dealer or leasing dealer plates.

2. For the purpose of this subsection only, the sale of mobile or manufactured homes as defined in N.J.S.A. 52:27D-121, motorized bikes, ATVs, dirt bikes, snowmobiles, motor-drawn vehicles as defined in N.J.S.A. 39:1-1, trailers, specialty vehicles, low-speed vehicles, or any other non-traditional vehicle that is not required to have a motor vehicle dealer license issued by the Commission or not permitted to be used on public roads or highways shall not be counted toward the sale and/or lease and registration minimum required to be eligible for general registration plates.

(b) New motor vehicle dealers shall receive no more than 20 dealer plates upon initial issuance of a new motor vehicle dealer license. Dealers who can show to the satisfaction of the Commission that 20 dealer plates will not be sufficient for their inventory may submit a request for additional plates. A dealer's request for additional plates must be submitted in writing and accompanied by documentation of the dealer's business model/plans, cars in inventory, sales numbers from other states of licensure (if applicable), and any other documents that may assist the Commission in determining sufficient need for the dealer's request.

(c) Used motor vehicle dealers shall receive no more than one set of dealer plates upon initial issuance of a used motor vehicle dealer license. Dealers who can show to the satisfaction of the Commission that one set of dealer plates will not be sufficient for their inventory may submit a request for additional plates not to exceed 20 plates on initial issuance, except as provided in (e) below. A dealer's request for additional plates must be submitted in writing and accompanied by documentation of the dealer's business model/plans, cars in inventory, sales numbers from other states of licensure (if applicable), and any other documents that may assist the Commission in determining sufficient need for the dealer's request.

(d) Leasing dealers shall receive no more than one set of leasing dealer plates upon initial issuance of a leasing dealer license. Leasing dealers who can show to the satisfaction of the Commission that one set of leasing dealer plates will not be sufficient for their inventory may submit a request for additional plates not to exceed 20 plates on initial issuance, except as provided in (e) below. A leasing dealer's request for additional plates must be submitted in writing and accompanied by documentation of the leasing dealer's business model/plans, cars in inventory, sales numbers from other states of licensure (if applicable), and any other documents that may assist the Commission in determining sufficient need for the leasing dealer's request.

(e) Used motor vehicle dealers or leasing dealers who can show, to the satisfaction of the Commission, that their current supply of dealer or leasing dealer plates is insufficient may submit a request for additional plates, except that no dealer or leasing dealer may obtain more plates than allowed by this subsection as indicated below:

1. Used motor vehicle dealers or leasing dealers selling and/or leasing four to 30 vehicles registered in New Jersey per license year are eligible for no more than one set of plates;

2. Used motor vehicle dealers or leasing dealers selling and/or leasing 31 to 60 vehicles registered in New Jersey per license year are eligible for no more than two sets of plates; and

3. Used motor vehicle dealers or leasing dealers selling and/or leasing more than 60 vehicles registered in New Jersey per license year are eligible for one additional set of plates for every additional 30 vehicles sold/leased and permanently registered in New Jersey per license year.

(f) A request for additional plates must be submitted in writing and accompanied by documentation of the licensee's retail sales and/or lease numbers.

(a) (g) All dealer and leasing dealer plates shall be accounted for in an electronic or written record, for which the following information is listed for each dealer or leasing dealer plate:

1.-2. (No change.)

3. The location at which the vehicle to which the plate is assigned is garaged (if not on the dealer's or leasing dealer's premises).

(b) (h) (No change in text.)

(c) (i) A [motor vehicle dealer] licensee who fails upon the demand of the Commission to produce the electronic or written record required pursuant to [(a) (g)] above shall, upon notice and opportunity to be heard, be subject to suspension or revocation of the [motor vehicle] dealer's or leasing dealer's license or [the suspension or revocation of] the privilege of retaining dealer or leasing dealer plates heretofore issued or purchasing additional plates.

Recodify existing (d) and (e) as (j) and (k) (No change in text.)

(f) (l) No dealer or leasing dealer plates shall be affixed to a vehicle other than one titled in the name of the [dealer] licensee or for which title

documents are accompanied by a bill of sale or documents are held by the [dealer] licensee to whom the plates were issued.

1. Title documents shall include a manufacturer's certificate of origin or a title of which the [dealer] licensee is the endorsee.

(g) (m) (No change in text.)

(n) A dealer or leasing dealer plate that is damaged to the extent that the plate is no longer readable from a reasonable distance or unable to be affixed to a vehicle in the proper manner may be remade for any licensee upon request to the Commission, and in the sole discretion of the Chief Administrator. A dealer or leasing dealer plate that was lost, stolen, or completely destroyed shall not be remade.

1. The remake shall contain the same alpha-numeric combination as the damaged plate. Requests for remade plates must be made in writing on a form prescribed by the Commission and accompanied with a replacement plate fee pursuant to N.J.A.C. 13:20-34.5. Remade plates shall not be released to the requesting dealer or leasing dealer until the Commission has received the original damaged plate.

2. Failure to return the damaged plate after requesting a remake may result in forfeiture of any applicable deposit and denial of the request for issuance of the same alpha-numeric combination as the damaged plate.

(o) A licensee not meeting the requirements to obtain or maintain dealer or leasing dealer plates will be notified in writing by the Commission.

1. Upon the Chief Administrator's determination that one or more dealer or leasing dealer plates are to be forfeited, the licensee shall return to the Commission all dealer or leasing dealer plates and any related documentation within 45 days of notification by the Commission. Failure to return the requested plates to the Commission within 45 days of notification may result in the suspension of the registration associated with such plates, forfeiture of any associated deposit(s), and/or suspension of the dealer or leasing dealer license.

13:21-15.13 Investigations

(a) The Chief Administrator may investigate or cause to be investigated, on complaint or on his or her own motion, any allegations of violations of the statutes or rules governing the conduct of [motor vehicle dealers] licensees.

(b) The Chief Administrator or designee shall have the authority to enter onto the premises of any individual or entity engaged in the business of buying, selling, or dealing in motor vehicles, any licensed motor vehicle dealer, or any licensed leasing dealer, for the purpose of surveying the premises, examining the books and records, and otherwise ascertaining that the business is in compliance with the applicable law.

(c) The Chief Administrator shall have the authority to issue subpoenas [and], to administer oaths, and to compel the production of documents and/or the appearance of witnesses at hearings in any action concerning the license of a [motor vehicle dealer] licensee.

(d) If a licensee or applicant fails to cooperate in an investigation or to comply with a subpoena or order to produce documents or appear at a hearing, the Chief Administrator may suspend [or], revoke, or decline to issue or to renew the [motor vehicle] dealer's or leasing dealer's license or issue a fine pursuant to N.J.S.A. 39:10-20.

13:21-15.15 Emergency disciplinary action

(a) In the event of an emergent situation, in which ongoing fraud, lack of insurance, destruction or vacation of premises, or other circumstances would jeopardize the integrity of the Commission's title records and the ability to prevent traffic in stolen or fraudulently titled motor vehicles, the Commission may immediately issue a preliminary suspension of the dealer's or leasing dealer's license.

(b)-(d) (No change.)