

CHAPTER 21  
LICENSING SERVICE

Authority

N.J.S.A. 17:33B-45, 39:2-3, 39:2-3.8, 39:3-4, 39:3-4c, 39:3-5, 39:3-5.1, 39:3-8, 39:3-10, 39:3-10.1, 39:3-10.17a, 39:3-10.20, 39:3-10.27, 39:3-10.29, 39:3-10a, 39:3-11.1, 39:3-13, 39:3-13.1, 39:3-13a, 39:3-15.1, 39:3-20, 39:3-24, 39:3-26.1, 39:3-29.9, 39:3-30, 39:3-33, 39:3-36, 39:3-43, 39:3-84, 39:3C-1 et seq., 39:5-30, 39:5-32, 39:10-2, 39:10-4, 39:10-19, 39:10-20, 39:10-37, 39:10A-6, 39:13-7, and 56:10-25; and 42 U.S.C. §405(c)(2)(C).

Source and Effective Date

R.2006 d.250, effective June 8, 2006.  
See: 38 N.J.R. 445(a), 38 N.J.R. 2875(a).

Chapter Expiration Date

Chapter 21, Licensing Service, expires on June 8, 2011.

Chapter Historical Note

Chapter 21, Licensing Service, was adopted and became effective prior to September 1, 1969.

Subchapter 7, Special Learner's Permits, was adopted as new rules by R.1970 d.9, effective January 9, 1970. See: 1 N.J.R. 20(c), 2 N.J.R. 18(b).

Subchapter 15, New Jersey Licensed Motor Vehicle Dealers, was adopted as new rules by R.1972 d.232, effective January 1, 1973. See: 4 N.J.R. 240(a), 4 N.J.R. 310(a).

Subchapter 16, Counterpart Fees, was adopted as new rules by R.1972 d.252, effective January 1, 1973. See: 4 N.J.R. 275(b), 5 N.J.R. 18(a).

Subchapter 17, Special Road Crossing Permits, was adopted as new rules by R.1973 d.103, effective April 12, 1973. See: 5 N.J.R. 90(b), 5 N.J.R. 166(a).

Subchapter 18, Snowmobile Registration, was adopted as new rules by R.1975 d.289, effective October 1, 1975. See: 7 N.J.R. 340(b), 7 N.J.R. 508(b).

Subchapter 20, Motor Home Title Certificates, was adopted as new rules by R.1980 d.474, effective October 30, 1980. See: 12 N.J.R. 428(a), 12 N.J.R. 726(b).

Subchapter 3, Dealer's Temporary Certificates, was repealed by R.1981 d.14, effective January 16, 1981. See: 12 N.J.R. 607(b), 13 N.J.R. 149(c).

Subchapter 5, Registrations, was readopted as R.1984 d.408, effective September 17, 1984. See: 16 N.J.R. 1695(a), 16 N.J.R. 2445(b).

Subchapter 8, Driver Licenses, was readopted as R.1984 d.411, effective August 28, 1984. See: 16 N.J.R. 1955(b), 16 N.J.R. 2445(c).

Subchapter 15, New Jersey Licensed Motor Vehicle Dealers, was readopted as R.1984 d.443, effective September 14, 1984. See: 16 N.J.R. 2060(a), 16 N.J.R. 2679(a).

Pursuant to Executive Order No. 66(1978), Subchapter 4, Titles, expired on March 17, 1985.

Subchapter 4, Titles, was adopted as new rules by R.1985 d.200, effective April 15, 1985. See: 17 N.J.R. 377(b), 17 N.J.R. 1131(a).

Pursuant to Executive Order No. 66(1978), Subchapter 14, Bus Drivers, expired on March 18, 1985

Subchapter 14, Bus Drivers, was adopted as new rules by R.1985 d.205, effective May 6, 1985. See: 17 N.J.R. 556(a), 17 N.J.R. 1131(b).

Subchapter 2, Statutory Language Interpretation, was readopted as R.1985 d.576, effective November 18, 1985. See: 17 N.J.R. 2090(b), 17 N.J.R. 2780(b).

Pursuant to Executive Order No. 66(1978), Subchapter 20, Motor Home Title Certificates, expired on October 20, 1985.

Subchapter 20, Motor Home Title Certificates, was adopted as new rules by R.1985 d.644, effective December 16, 1985. See: 17 N.J.R. 2353(b), 17 N.J.R. 2991(a).

Pursuant to Executive Order No. 66(1978), Subchapter 7, Special Learner's Permits, expired on February 18, 1986.

Subchapter 7, Learner's Permits, was adopted as new rules by R.1986 d.81, effective April 7, 1986. See: 18 N.J.R. 48(a), 18 N.J.R. 703(c).

Subchapter 21, Auto Body Repair Facilities, was adopted as new rules by R.1988 d.474, effective October 3, 1988. See: 19 N.J.R. 1624(c), 20 N.J.R. 2460(a).

Subchapter 22, Salvage Certificates of Title, was adopted as new rules by R.1989 d.157, effective March 20, 1989. See: 20 N.J.R. 2675(a), 21 N.J.R. 768(b).

Subchapter 16, Counterpart Fees, was repealed by R.1990 d.435, effective September 4, 1990. See: 22 N.J.R. 1325(a), 22 N.J.R. 2747(a).

Pursuant to Executive Order No. 66(1978), Chapter 21, Licensing Service, was readopted as R.1991 d.21, effective December 13, 1990. See: 22 N.J.R. 3311(a), 23 N.J.R. 207(c).

Subchapter 23, Commercial Driver Licensing, was adopted as new rules by R.1992 d.138, effective March 16, 1992. See: 24 N.J.R. 219(b), 24 N.J.R. 960(a).

Subchapter 24, Defensive Driving Courses, was adopted as new rules by R.1994 d.347, effective July 5, 1994. See: 26 N.J.R. 1592(a), 26 N.J.R. 2793(a).

Subchapter 16, Identification Cards for Nondrivers, was adopted as new rules by R.1994 d.496, effective September 19, 1994. See: 26 N.J.R. 2522(a), 26 N.J.R. 3874(a).

Pursuant to Executive Order No. 66(1978), Chapter 21, Licensing Service, was readopted as R.1996 d.27, effective December 13, 1995. See: 27 N.J.R. 4153(a), 28 N.J.R. 275(a).

Pursuant to Executive Order No. 66(1978), Chapter 21, Licensing Service, was readopted effective December 12, 2000, and Subchapter 11, Central Title and Registration Service, was repealed effective January 16, 2001 by R.2001 d.19. See: 32 N.J.R. 3739(a), 33 N.J.R. 277(a).

Subchapter 11, Central Title and Registration Service, was repealed by R.2001 d.19, effective January 16, 2001. See: 32 N.J.R. 3739(a), 33 N.J.R. 277(a).

Administrative correction. See: 33 N.J.R. 568(a).

Chapter 21, Licensing Service, was readopted by R.2006 d.250, effective June 8, 2006. See: Source and Effective Date. See, also, section annotations.

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**SUBCHAPTER 1. GENERAL PROVISIONS**

**13:21-1.1 Use of legal name on all documents**

Any person securing a driver license, registering a vehicle, titling a vehicle or filing any document with the Motor Vehicle Commission, or for any reason being recorded on the records of the Commission, shall do so in his or her legal name.

Amended by R.2006 d.250, effective July 3, 2006.  
See: 38 N.J.R. 445(a), 38 N.J.R. 2875(a).

Substituted "Motor Vehicle Commission" for first occurrence of "Division" and "Commission" for the second occurrence; and inserted gender neutral reference.

**13:21-1.2 Proof of legal name**

Any person using a name for the purposes set forth in N.J.A.C. 13:21-1.1 shall furnish proof that the name given is the legal name when such proof is requested by any agent, officer or employee of the Motor Vehicle Commission.

Amended by R.2006 d.250, effective July 3, 2006.  
See: 38 N.J.R. 445(a), 38 N.J.R. 2875(a).

Substituted "set forth" for "outlined" and "N.J.A.C. 13:21-1.1" for "Section 1.1 (Use of legal name on all documents) of this Chapter"; deleted comma following "legal name"; and substituted "such" for "this" and "Motor Vehicle Commission" for "Division".

**13:21-1.3 Mandatory disclosure of social security number**

(a) An applicant for any special learner's permit, examination permit, driver license, commercial driver license or any endorsement thereto, or registration shall disclose his or her social security number(s) upon the application form furnished by the Chief Administrator of the Motor Vehicle Commission.

(b) A special learner's permit, examination permit, driver license, commercial driver license or any endorsement thereto, or registration shall not be issued unless the applicant therefor discloses his or her social security number(s) upon the application form.

(c) This section shall not apply to persons who are exempt from applying for a social security number.

New Rule, R.1985 d.307, effective June 17, 1985.

See: 16 N.J.R. 2746(a), 17 N.J.R. 1579(a).

Amended by R.1990 d.514, effective October 15, 1990.

See: 22 N.J.R. 2134(a), 22 N.J.R. 3236(b).

Extended social security number disclosure requirement to applicants of commercial licenses.

Amended by R.1996 d.27, effective January 16, 1996.

See: 27 N.J.R. 4153(a), 28 N.J.R. 275(a).

Amended by R.2006 d.250, effective July 3, 2006.

See: 38 N.J.R. 445(a), 38 N.J.R. 2875(a).

In (a), substituted "Chief Administrator of the Motor Vehicle Commission" for "Director".

**13:21-1.4 Restricted use of social security numbers**

(a) The Motor Vehicle Commission or its designee shall, in the administration of the driver license and motor vehicle registration laws of this State, including the "New Jersey Commercial Driver License Act" (P.L. 1990, c. 103) and the regulations adopted thereunder, and the "New Jersey Automobile Insurance Reform Act of 1982" (N.J.S.A. 17:29A-33 et seq.) and the regulations adopted thereunder, utilize social security numbers for the purpose of establishing the identification of individuals affected by such laws.

(4) Any crime or other offense indicative of bad moral character;

(5) He or she fails to notify the Motor Vehicle Commission that he or she has been arrested for, charged with, indicted for, convicted of, or forfeited bond or collateral upon any crime or other offense within 14 days after the date of such event.

13. In the absence of a conviction, the Chief Administrator of the Motor Vehicle Commission shall refuse to issue or shall revoke or suspend the bus driver license of any person arrested for, charged with, or indicted for any crime or other offense if the Chief Administrator determines that such person is of bad character or is morally unfit to retain the privilege of holding a bus driver license, or is a potential danger to his or her passengers or to other motorists or to himself or herself.

(d) If sufficient and reasonable grounds are established at a hearing, the Chief Administrator of the Motor Vehicle Commission may, not inconsistent with N.J.S.A. 39:3-10, waive any portion or portions of this subchapter. Applicants seeking such waivers must, prior to a hearing, submit to the Chief Administrator a request for such waiver and the basis of such request.

Amended by R.1996 d.27, effective January 16, 1996.  
See: 27 N.J.R. 4153(a), 28 N.J.R. 275(a).

In (a) increased the minimum age from 18 to 21.  
Amended by R.2006 d.250, effective July 3, 2006.  
See: 38 N.J.R. 445(a), 38 N.J.R. 2875(a).  
Rewrote (c) and (d).

#### Case Notes

Minimal risk of cardiac collapse, syncope, or near-syncope from atrial fibrillation did not automatically disqualify bus driver from maintaining his passenger-carrying endorsement to license. *Mernick v. Division of Motor Vehicles*, 328 N.J.Super. 512, 746 A.2d 493 (N.J.Super.A.D. 2000).

Rule providing that Director shall not issue, or shall suspend, bus driver license if applicant or holder has disqualifying criminal record upheld as reasonable and not violative of procedural due process rights; conviction of assault on youngster sufficiently disqualifying. *Sanders v. Div. of Motor Vehicles*, 131 N.J.Super. 95, 328 A.2d 637 (App.Div.1974).

Denial of commercial driver license due to licensee's failure to demonstrate physical qualification sustained. *Johnson v. Division of Motor Vehicles*, 97 N.J.A.R.2d (MVH) 1.

Passenger endorsement would be removed from bus driver's commercial license where driver suffered from chronic atrial fibrillation. *Division of Motor Vehicles v. Geibel*, 96 N.J.A.R.2d (MVH) 22.

Application for commercial driver's license passenger endorsement would be denied based upon applicant's coronary insufficiency. *Division of Motor Vehicles v. Johnson*, 96 N.J.A.R.2d (MVH) 15.

Application for bus driver's license would not be denied on basis of applicant's 30-year old assault conviction where applicant was able to demonstrate his rehabilitation. *Division of Motor Vehicles v. Outlaw*, 96 N.J.A.R.2d (MVH) 10.

Conviction of conspiring to sell or dispense a controlled dangerous substance some 20 years in past did not warrant indefinite suspension of commercial driver's license in face of demonstrated rehabilitation. *Division of Motor Vehicles v. Harvey*, 95 N.J.A.R.2d (MVH) 82.

Coronary artery disease was noncritical and did not require revocation of bus endorsement on licensee's commercial driver's license. *Division of Motor Vehicles v. Abagnale*, 95 N.J.A.R.2d (MVH) 75.

Convictions on charge of possessing marijuana were not a basis for indefinite suspension when licensee was not otherwise a threat to public safety. *Division of Motor Vehicles v. Ellerbe*, 95 N.J.A.R.2d (MVH) 65.

Drug conviction arising from isolated incident that did not otherwise reflect on reliability as bus driver did not require license suspension. *Division of Motor Vehicles v. Cecala*, 95 N.J.A.R.2d (MVH) 53.

Acquittal on charge of second degree sexual assault, in face of applicant's good character and excellent employment record, was not sufficient to deny passenger endorsement on commercial driver's license. *Department of Motor Vehicles v. Rivas*, 95 N.J.A.R.2d (MVH) 50.

Admission of occasional drug use, and consequent possession, warranted suspension of licensee's bus/commercial driving privilege. *Division of Motor Vehicles v. Borowicz*, 95 N.J.A.R.2d (MVH) 49.

Incident which led to licensee's conviction was isolated and, in view of licensee's successful rehabilitation thereafter, was not a basis for suspending licensee's bus driving privileges. *Division of Motor Vehicles v. Richardson*, 95 N.J.A.R.2d (MVH) 40.

Bus driving endorsement on commercial driver's license was properly refused on basis of conviction on counts charging conspiracy and theft and failure to reveal same on application for endorsement. *Division of Motor Vehicles v. Ortiz*, 95 N.J.A.R.2d (MVH) 39.

Driver with coronary insufficiency or ischemia could not obtain passenger endorsement on commercial driver's license. *Division of Motor Vehicles v. Lovallo*, 95 N.J.A.R.2d (MVH) 35.

Driver's conviction for assault and battery warranted his disqualification from obtaining school bus endorsement, but his subsequent rehabilitation also warranted retention of his commercial driver's license without endorsement. *Division of Motor Vehicles v. Argese*, 95 N.J.A.R.2d (MVH) 28.

Applicant with irregular heart rate was precluded from obtaining passenger endorsement on commercial driver's license by reason of coronary insufficiency. In *Matter of Oleksza*, 95 N.J.A.R.2d (MVH) 5.

Conviction on plea of guilty to murder of sixteen-year-old disqualified applicant from obtaining special license to bus juvenile offenders. *Russell v. Division of Motor Vehicles*, 95 N.J.A.R.2d (MVH) 1.

Driver's bus/commercial driving privileges were suspended indefinitely. *Division of Motor Vehicles v. Reginald Mann*, 94 N.J.A.R.2d (MVH) 71.

Licensee who had been convicted for sexually assaulting minors was allowed to retain his bus driving privilege subject to restriction. *Division of Motor Vehicles v. Mead*, 94 N.J.A.R.2d (MVH) 65.

Licensee was permitted to maintain commercial driver license. *Division of Motor Vehicles v. Heffernan*, 94 N.J.A.R.2d (MVH) 59.

Licensee was permitted to maintain bus driver license despite driving while intoxicated conviction. *Division of Motor Vehicles v. Pincus*, 94 N.J.A.R.2d (MVH) 58.

Licensee's bus driving privileges were suspended for careless driving. *Division of Motor Vehicles v. Cromer*, 94 N.J.A.R.2d (MVH) 56.

Licensee's bus driving privileges were suspended. *Division of Motor Vehicles v. Napolitano*, 94 N.J.A.R.2d (MVH) 54.

Licensee was permitted to maintain bus/commercial driver license driving privileges; rehabilitation. In the *Matter of the Bus Driver's License of Edward Lanza*, 94 N.J.A.R.2d (MVH) 53.

Proposed suspension of driver's bus driving privileges due to a disqualifying cardiovascular disease was dismissed. *Langlois v. Division of Motor Vehicles*, 94 N.J.A.R.2d (MVH) 36.

Proposed suspension of bus driver's license arising out of a manslaughter conviction was dismissed. Division of Motor Vehicles v. Pearce, 94 N.J.A.R.2d (MVH) 34.

Driver's license was suspended for driving a bus without checking for emergency reflectors and for failing to attempt to place reflectors on the road. Division of Motor Vehicles v. Tulli, 94 N.J.A.R.2d (MVH) 13.

Suspension of passenger endorsement to bus driver's license was proper. Rech v. Division of Motor Vehicles, 94 N.J.A.R.2d (MVH) 5.

Denial of bus driver's license was proper. Division of Motor Vehicles v. Reale, 94 N.J.A.R.2d (MVH) 5.

Bus driver's license; failure to meet the medical and physical qualifications. Oleksza v. Division of Motor Vehicles, 94 N.J.A.R.2d (MVH) 1.

Driver with disqualifying criminal record could have "no passenger" mechanic's endorsement. Division of Motor Vehicles v. DiBiase, 93 N.J.A.R.2d (MVH) 13.

Driver with asymptomatic cardiovascular condition was subject to more frequent testing. Leek v. Division of Motor Vehicles, 93 N.J.A.R.2d (MVH) 9.

Bus driver not guilty of careless driving or failing to yield to pedestrian. Division of Motor Vehicles v. Hurdle, 93 N.J.A.R.2d (MVH) 1.

Amputation of left leg warranted indefinite suspension. Division of Motor Vehicles v. Ingenito, 92 N.J.A.R.2d (MVH) 31.

Bus driver was rehabilitated following conviction for criminal negligent homicide. Division of Motor Vehicles v. Montenero, 92 N.J.A.R.2d (MVH) 28.

No present cardiovascular disease warranted suspension. Michalski v. Division of Motor Vehicles, 92 N.J.A.R.2d (MVH) 24.

No disqualifying cardiovascular disease found. McLaughlin v. Division of Motor Vehicles, 92 N.J.A.R.2d (MVH) 22.

Cardiovascular disease warranted suspension of bus driving privilege. McCauley v. New Jersey Division of Motor Vehicles, 92 N.J.A.R.2d (MVH) 13.

Bus driver disclosed arrest record. Division of Motor Vehicles v. Jones, 92 N.J.A.R.2d (MVH) 5.

### 13:21-14.6 (Reserved)

Repealed by R.2006 d.250, effective July 3, 2006.

See: 38 N.J.R. 445(a), 38 N.J.R. 2875(a).

Section was "Release of privileged application information".

### 13:21-14.7 (Reserved)

Repealed by R.1996 d.27, effective January 16, 1996.

See: 27 N.J.R. 4153(a), 28 N.J.R. 275(a).

Section was "Drivers of empty buses".

### 13:21-14.8 through 13:21-14.10 (Reserved)

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## SUBCHAPTER 15. NEW JERSEY LICENSED MOTOR VEHICLE 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 or 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 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, 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 brokerage, involving the transfer of title or of legal or beneficial ownership of a motor vehicle.

"Commission" means the New Jersey Motor Vehicle Commission.

"Controlling interest" means possessing the authority to bind the applicant or licensee and shall be presumed to be held by corporate officers and directors, partners and all individuals with ownership interests of greater than 10 percent.

"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.

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

New Rule, R.2006 d.98, effective March 6, 2006.

See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Former N.J.A.C. 13:21-15.1, General provisions, recodified as N.J.A.C. 13:21-15.2.

### 13:21-15.2 Application

(a) Applications for a 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 Director and furnished to such applicants.

(b) An initial applicant, if a natural person, shall undergo a criminal background check by submitting his or her fingerprints in the manner prescribed in the application.

1. An applicant for renewal who first received a license pursuant to this subchapter prior to June 1, 2002 shall submit his or her fingerprints in the manner prescribed in the application with the first renewal application submitted after March 6, 2006.

(c) The initial applicant, if a business entity other than a natural person, shall undergo a criminal background check by submitting the fingerprints in the manner prescribed in the application of each officer, director, controlling person or partner.

1. An applicant for renewal, if a business entity that first received a license pursuant to this subchapter prior to June 1, 2002 other than a natural person, shall submit the fingerprints of each officer, director, or controlling person or partner in the manner prescribed in the application with the first renewal application submitted after March 6, 2006.

(d) The applicant for an initial license, or at least one officer, director, or controlling person, if the applicant is other than a natural person, shall attend a precensure interview as

scheduled by the Motor Vehicle Commission, at which time the applicant will be examined as to his knowledge of the lawful conduct of the business of buying, selling or dealing in motor vehicles in New Jersey; in the event that the applicant cannot demonstrate adequate knowledge thereof, the Commission may require the applicant to attend a training program.

(e) At the time of initial application, the applicant shall submit a copy of the Federal notice of his or her tax identification number and his or her New Jersey sales tax certificate of authority.

(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 been convicted of a crime arising out of fraud or misrepresentation nor previously held a license issued by the Director or the MVC which license was revoked and not reissued.

(g) All applicants shall disclose whether they intend to trade or do business under a name other than the name in which the application is filed. Subsequent to licensing, a dealer shall be required to report to the Division of Motor Vehicles any additional business name or changes in existing names under which the dealer intends to do business.

(h) Photographs and/or plans that clearly depict the complete premises, including proposed signage, from which premises a dealer intends to do business shall be submitted with the initial application for a dealer license along with proof that the premises comply with all zoning, planning, use and environmental laws, rules and ordinances and that all activities permitted by the licensee will be permitted therein. In no event will an application for a license be approved until premises are suitable for use as a dealership at the time of the initial compliance inspection by the Commission.

(i) The applicant shall submit a true copy of the deed to the premises in the name of the applicant or, if the applicant does not own the premises, a contract for purchase of the premises enforceable by the applicant or a lease or an enforceable contract to lease the premises for a term of at least one year in favor of the applicant.

(j) Unless the business hours of the applicant will be no fewer than 48 hours per week between the hours of 9:00 A.M. and 5:00 P.M. Monday through Saturday, the applicant shall submit with his or her initial application a schedule of business hours, of which no fewer than 20 hours per week shall occur between the hours of 9:00 A.M. and 5:00 P.M. Monday through Saturday.

(k) The applicant shall submit current color passport-type photographs of the applicant, if an individual, or of all partners, members, officers, directors or shareholders with

controlling interests, if a partnership, limited liability company or corporation, respectively.

(l) The applicant shall submit a certificate of insurance demonstrating liability insurance covering all vehicles owned or operated by the dealer, at his request or with his 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) Misrepresentation of any facts or failure to fulfill any of the commitments made in the license application including, but not limited to, commitments concerning the establishment of a place of business, shall be grounds for denial, suspension or revocation of the license.

Recodified from N.J.A.C. 13:21-15.1 and amended by R.2006 d.98, effective March 6, 2006.

See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Section heading was "General provisions"; rewrote the section; former N.J.A.C. 13:21-15.2, Proper person, recodified as N.J.A.C. 13:21-15.3.

### 13:21-15.3 Proper person

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

1. Be at least 18 years of age and have legal capacity to contract, to be sued and to be liable for all debts;
2. Be of sufficient good character, in the Director's discretion to warrant consideration as a proper person to be licensed as a dealer. To assist the Director in making this determination, he may consider an applicant's financial responsibility as well as whether or not the applicant has been involved in any illegal activities prior to his applying for a license;
3. Not have been convicted of a crime arising out of fraud or misrepresentation;
4. The Motor Vehicle Commission will request the New Jersey Division of State Police to place a State Bureau of Investigation Number flag pursuant to N.J.A.C. 13:59 on the fingerprint record of each person required to undergo a criminal background check pursuant to N.J.A.C. 13:21-15.2.

Recodified from N.J.A.C. 13:21-15.2 and amended by R.2006 d.98, effective March 6, 2006.

See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Deleted ":", from introductory paragraph (a); deleted "in the sale or financing of a motor vehicle" from (a)3; rewrote (a)4; former N.J.A.C. 13:21-15.3, Established place of business, recodified as N.J.A.C. 13:21-15.4.

#### Case Notes

Suspension of dealer's license ordered due to misrepresentation of prior criminal conviction on renewal application; license not revoked

due to nature of offense and licensee's conduct of business. In Re: Allen Rosenberg, 4 N.J.A.R. 208 (1981).

Denial of motor vehicle dealer license reversed upon finding of good moral character despite aberrant narcotics conviction. Leston v. Div. of Motor Vehicles, 3 N.J.A.R. 111 (1981).

### 13:21-15.4 Established place of business

(a) All licensees shall maintain a permanent, properly identified location with a minimum office space of 72 square feet within a permanent, enclosed building and where there are included or immediately contiguous, clearly identified, fixed facilities to display at least two automobiles and 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, 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.

1. Failure to comply with all requirements of this section at a follow-up compliance inspection (to be held any time after 90 days after licensing) will result in revocation of the license.

2. 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.

(b) The established place of business shall display an exterior sign permanently affixed to the land or building which is consistent with local ordinances and which has letters easily readable from the major avenues of traffic. Said sign must reflect the dealer name or trade name, providing such trade name has been previously disclosed to the Division of Motor Vehicles.

(c) The licensee or an authorized signatory shall be present at the 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 license on the dealer's premises in an area readily accessible to the public.

1. If the licensee was not required to submit a schedule of business hours pursuant to N.J.A.C. 13:21-15.2(j), no schedule need be posted.

(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 proposed place of business is deemed to occupy the same premises as another dealership if the two facilities are not completely separated by exterior walls or a firewall conforming to National Building Code requirements, they do not have separate entrances, or they do not have separate, fixed, clearly identified display facilities, separate mailboxes, and separate, fixed-location (that is, not mobile or cellular) telephone systems.

(e) Any licensed 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 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 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 (d) above, shall be maintained for three years on the licensed premises and shall be made available to Commission personnel during normal business hours on request.

1. In the event that all branches of a dealership utilize centralized administration facilities and that the remaining requirements of this subsection are met at the branch location site, records that are not immediately necessary for the conduct of current business at a branch location may be maintained at the main or principal location of a dealership.

(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, 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 and authorized signatories for the storage of controlled Commission documents.

(j) In the event that the site of the proposed place of business is not owned by the dealer, it must be subject to a lease in favor of the dealer for a minimum term expiring no earlier than April 1 of the year for which licensure is sought.

As amended, R.1979 d.371, effective September 20, 1979.  
See: 11 N.J.R. 350(b), 11 N.J.R. 580(a).  
Amended by R.1996 d.27, effective January 16, 1996.  
See: 27 N.J.R. 4153(a), 28 N.J.R. 275(a).  
Recodified from N.J.A.C. 13:21-15.3 and amended by R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Rewrote the section; former N.J.A.C. 13:21-15.4, Grounds for rejection or suspension or revocation of a dealer license, recodified as N.J.A.C. 13:21-15.5.

#### Case Notes

Automobile franchise would be allowed to relocate without notice to Division of Motor Vehicles, even though previous relocation had occurred within last five years, where that relocation occurred within 180 days of franchisee's purchase of franchise. The New A.C. Chevrolet, Inc. v. Chevrolet Division of General Motors, 96 N.J.A.R.2d (MVH) 28.

#### 13:21-15.5 Grounds for rejection, suspension, or revocation of a dealer license or issuance of 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 or issue a cease and desist order to a licensee or 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. Applicant or licensee is not a proper person as defined in N.J.A.C. 13:21-15.3;

2. Applicant has made a willful misrepresentation or omission in an application for a dealer license or renewal thereof under the provisions of this rule;

3. Applicant was a previous holder of a license that was suspended or revoked for cause by the Director or the Chief Administrator and the terms of such suspension have not been satisfied and/or the license has not been reissued;

4. One or more of the partners, officers, directors, other controlling persons, or employees of the applicant previously held a license issued under the authority of the Division or the Commission, which license was revoked for cause and never reissued or was suspended for cause and terms of suspension have not been satisfied, or have willfully violated a cease and desist order issued by the Chief Administrator;

5. The licensee has willfully failed to comply with the requirements of N.J.S.A. 39:10-19 through 39:21-25 and the rules promulgated thereunder.

6. Applicant or licensee seeks or has obtained a dealer license for the benefit of one who is not a proper person within the meaning of this rule.

7. The licensee or applicant knew or should have known that any employee, partner, officer, director, owner of a controlling interest or agent of the licensee or applicant is an individual who has been convicted of a crime arising out of fraud or misrepresentation or previously held a license issued by the Director or the Commission, which license was suspended or revoked for cause and not reissued;

8. The dealer fails to comply with the requirements of existing law governing the standards for used motor vehicles. (N.J.S.A. 39:10-26 thru 39:10-30);

9. It is found by an administrative determination of the Commission that the subject licensee or applicant has engaged in the unlawful act of altering the true reading of an odometer (the mileage recording instrument of a motor vehicle). Evidence that such alteration was made while the vehicle was in the possession of the licensee or applicant shall be prima facie proof that such alteration was performed by the licensee or applicant or with his or her consent;

10. It is found by an administrative determination of the Commission that the subject licensee or applicant has engaged in the unlawful act of altering a vehicle identification number (VIN). Evidence that such alteration was made while the vehicle was in the possession of the licensee or applicant shall be prima facie proof that such alteration was performed by the licensee or applicant or with the licensee's or applicant's consent;

11. A person engages in activities regulated hereunder for which he or she does not hold the required license;

12. The licensee has failed to maintain any of the qualifications for a license herein set forth or otherwise set forth by law, including, but not limited to, failure to maintain an established place of business as set forth in N.J.A.C. 13:21-15.3;

13. The licensee employs call forwarding, telephone answering services and/or mail forwarding services during scheduled business hours or otherwise sells, buys or deals in motor vehicles from a remote or otherwise unlicensed location;

14. The licensee engaged in selling, displaying for sale or lease, or dealing in motor vehicles at a location other than that at which the licensed business is permanently established. The assertion by the licensee as a defense in any action that he has conducted sales activity at other than the premises where the business is permanently established shall constitute conclusive proof of that fact;

15. The licensee has conducted negotiations or sales activity in other than a licensed location over the internet or otherwise;

16. The licensee has failed to satisfy a valid, collectible judgment within 90 days of its entry against him;

17. The licensee has issued a check that was subsequently dishonored for insufficient funds or other reason caused by or within the control of the licensee; or

18. The licensee has violated any of the rules set forth in this subchapter.

(b) Upon suspension, revocation or denial of renewal of a license, or upon voluntary relinquishment of the license or

dissolution of the dealership, the licensee shall forthwith return all Commission property, including, but not limited to, the dealer license, dealer plates, dealer reassignments and temporary registrations, and shall account for all those not returned without refund for unused stock; failure to do so may result in suspension or revocation of the privilege to reapply for any business license within the jurisdiction of the Motor Vehicle Commission.

As amended, R.1976 d.4, effective January 8, 1976.

See: 7 N.J.R. 481(a), 8 N.J.R. 83(b).

Recodified from N.J.A.C. 13:21-15.4 and amended by R.2006 d.98, effective March 6, 2006.

See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Section heading was "Grounds for rejection or suspension or revocation of a dealer license"; rewrote the section; former N.J.A.C. 13:21-15.5, Hearing, repealed.

#### Case Notes

Dealer license, plates and registration certification privileges were permanently revoked. *Division of Motor Vehicles v. Keirle*, 94 N.J.A.R.2d (MVH) 67.

Suspension of dealer's license ordered due to misrepresentation of prior criminal conviction on renewal application; license not revoked due to nature of offense and licensee's conduct of business. In Re: *Allen Rosenberg*, 4 N.J.A.R. 208 (1981).

#### **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 nor any person on his behalf shall present to the Division 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, which 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 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. 39:10A-15 and 39:4-56.5.

(c) No leasing dealer shall retain title papers of a vehicle sold at the termination of a lease for a period of more than 48 hours.

(d) The license of a motor vehicle dealer 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 license pursuant to (b) above, each document presented or reassigned shall constitute a separate violation. For a first

violation the 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 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.

New Rule, R.1985 d.699, effective January 21, 1986.  
See: 17 N.J.R. 169(a), 18 N.J.R. 203(b).  
Amended by R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Section heading was "Presentation or reassignment of altered title documents; suspension; period of suspension; refusal to renew license"; rewrote the section.

### 13:21-15.7 Responsibilities of licensee

(a) All documents, including, but not limited to, title papers, reassignments, temporary registrations, and applications for registration and applications for licensure, shall be executed in the name of the dealer only by the dealer or leasing dealer or an authorized signatory.

(b) The dealer shall be responsible for the disposition of all reassignments in his possession.

1. All dealer reassignments shall be filled out completely, including the name and license number of the dealer, with carbon copies made contemporaneously and not separately and retained for three years.

2. All dealer reassignments shall be accounted for upon request of Commission personnel.

3. All lost or stolen reassignments shall be promptly reported to the Commission and to the local police; failure to do shall be conclusive evidence of improper disposition thereof.

(c) The dealer, all partners, officers, directors and/or holders of controlling interests shall be individually responsible for the conduct of all business at the dealership and for compliance with all the requirements of the statutes and rules governing the business of buying, selling or dealing in motor vehicles.

(d) In the event that any information required to be submitted to the Commission in an application should change, the applicant or licensee shall notify the Commission of the change within 10 days thereof.

New Rule, R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Former N.J.A.C. 13:21-15.7, Informing purchaser of dealer's responsibilities; suspension, revocation, or refusal to renew license due to noncompliance, recodified as N.J.A.C. 13:21-15.8.

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

(a) Prior to entering into any agreement for the retail sale of a used passenger motor vehicle, a motor vehicle dealer licensed pursuant to N.J.S.A. 39:10-19 shall give written notice to the purchaser of a used passenger motor vehicle to be registered in this State of the dealer's responsibilities under N.J.S.A. 39:10-26 through 39:10-30, inclusive.

(b) 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, 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 Division of Motor Vehicles in order for the purchaser to exercise his or her rights under N.J.S.A. 39:10-26 through 39:10-30, inclusive.

(c) Notwithstanding (b) above, the motor vehicle dealer and the purchaser of a used passenger motor vehicle to be registered in this State may mutually agree, in writing, that such 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 a shorter period of time from the date of issuance of the temporary authorization certificate for the motor vehicle by the Division of Motor Vehicles than that set forth in (b) above in order for the purchaser to exercise his or her rights under N.J.S.A. 39:10-26 through 39:10-30, inclusive.

(d) A motor vehicle dealer who violates this section may have his or her motor vehicle dealer's license suspended or revoked, or renewal thereof refused, by the Director of the Division of Motor Vehicles pursuant to N.J.S.A. 39:10-20.

New Rule, R.1999 d.422, effective December 6, 1999.

See: 31 N.J.R. 2466(a), 31 N.J.R. 4078(a).

Recodified from N.J.A.C. 13:21-15.7 by R.2006 d.98, effective March 6, 2006.

See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Former N.J.A.C. 13:21-15.8, Temporary registrations issued by licensed motor vehicle dealers for vehicles that are to be permanently registered in New Jersey, recodified as N.J.A.C. 13:21-15.9.

### 13:21-15.9 Temporary registrations issued by licensed motor vehicle 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 which has been authorized to issue temporary registrations by the Division of Motor Vehicles may, in accordance with this section, issue a temporary registration for a new or used vehicle to a person or entity who has purchased or leased said vehicle from such 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. A temporary registration 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) A temporary registration shall not be issued pursuant to this section if the motor vehicle dealer does not have in its possession a valid manufacturers' statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle.

(c) A temporary registration shall not be issued pursuant to this section unless the applicant therefor intends to secure permanent New Jersey registration for the vehicle.

(d) 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 with the dealer copy of the temporary registration. No dealer shall sell, provide, transfer or otherwise arrange for insurance coverage required pursuant to this section unless the dealer is an insurance producer properly licensed by the New Jersey Department of Banking and Insurance.

(e) If the vehicle is subject to the Federal Heavy Vehicle Use Tax imposed by section 4481 of the Internal Revenue Code of 1954 (26 U.S.C. § 4481), a temporary registration shall not be issued unless the applicant therefor presents proof in the form prescribed by the United States Secretary of the Treasury that the tax has been paid.

(f) A temporary registration issued pursuant to this section shall expire at the end of 20 days or as soon as the permanent registration for the vehicle (and, if applicable, license plates) have been received by the registrant, whichever occurs first. The temporary registration shall be destroyed by the registrant at the time of expiration.

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

(h) A temporary registration is not transferable from one motor vehicle dealer to another, nor from one vehicle to another. A temporary registration shall not be lent by a motor vehicle dealer to a customer, to another motor vehicle dealer

nor to any other person or entity. A temporary registration shall not be issued for vehicles titled in the name of the motor vehicle dealer, or for vehicles covered solely by the dealer's insurance policy.

(i) A licensed motor vehicle dealer that has been authorized to issue temporary registrations by the Division of Motor Vehicles may purchase temporary registrations from a motor vehicle agency at a cost of \$3.00 per temporary registration upon submission of a motor vehicle dealership business check in an amount that reflects the number of such temporary registrations being purchased by the dealer.

(j) Prior to the issuance of a temporary registration, the motor vehicle dealer or his authorized signatory shall assure that all required information has been either typed or printed in ink on the document and that such information is legible on the original and each of the copies thereof.

(k) The motor vehicle dealer or authorized signatory shall enter the following information in the appropriate locations on the right side of the temporary registration:

1. The name of the registrant;
2. The address of the registrant (provided, however, that the address does not appear on the original but only appears on each of the copies thereof);
3. A full description of the vehicle including its make, year, model, body type, vehicle identification number, color and, if a commercial vehicle, its gross weight;
4. The date of issue of the temporary registration;
5. The date of expiration of the temporary registration;
6. The license plate number, if applicable;
7. The name of the insurance company that has issued a policy covering the vehicle, as well as the insurance policy number or binder number; and
8. The motor vehicle dealer's name, address, dealer identification number, and telephone number.

(l) The motor vehicle dealer or authorized signatory shall both print and sign his or her name in the appropriate location on the temporary registration.

(m) The expiration date of the temporary registration shall be entered by the motor vehicle dealer or authorized signatory in the appropriate location on the lower left side of the document directly below the large numerals indicating the temporary registration number. The expiration date shall be written with black felt tip pen or indelible marker in numerals at least one inch high and one inch wide. This date must coincide with the expiration date entered by the motor vehicle dealer or authorized signatory in smaller numerals on the right side of the document in accordance with (k)5 above.

(n) The registrant shall execute the temporary registration in the appropriate place only after all other required infor-

mation has been typed or printed on the document by the motor vehicle dealer or authorized signatory.

(o) The dealer or authorized signatory shall affix the "original" of the temporary registration issued by the motor vehicle dealer pursuant to this section to the driver's side of the rear window inside the passenger compartment of the vehicle or to a side rear window of the vehicle if the rear window is not accessible provided that the driver's vision is not thereby obstructed. The temporary registration shall be affixed in such a manner as to be clearly visible from the rear of the vehicle. In the event that the temporary registration cannot be affixed to the vehicle it 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.

(p) The "customer copy" of the temporary registration issued by a motor vehicle dealer pursuant to this section shall be given to the registrant. This copy of the temporary registration 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.

(q) The "Commission copy" of the temporary registration issued by a motor vehicle dealer pursuant to this section shall be forwarded, together with a properly assigned manufacturer's statement of origin or title for the vehicle and, if applicable, a properly assigned dealer reassignment certificate for the vehicle, and together with the title and registration applications and the fees therefor, to a motor vehicle agency for issuance of a motor vehicle title, permanent registration, and, if applicable, license plates. If the registrant is transferring a registration as permitted by N.J.S.A. 39:3-30, the motor vehicle dealer shall also forward to such agency the current registration, which is being transferred.

(r) The "dealer copy" of the temporary registration issued by a motor vehicle dealer pursuant to this section shall be retained by such dealer for a period of three years from the date of issuance of the temporary registration. Records pertaining to the issuance of temporary registrations by a motor vehicle dealer pursuant to this section, as well as records pertaining to unissued or voided temporary registrations, shall be maintained in a ledger by such dealer for a period of three years. Such records, including the "dealer copies" of temporary registrations issued by such dealer as well as any unissued or voided temporary registrations that are in the possession of such dealer, shall be made available by the licensed dealer for examination by authorized representatives of the Commission at any time during regular business hours. A licensed dealer 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.

(s) A motor vehicle dealer 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 who commits such a violation may, upon, notice and an opportunity to be heard, have the motor vehicle dealer's license suspended or revoked, or renewal thereof refused, by the Chief Administrator of the Commission pursuant to N.J.S.A. 39:10-20.

(t) All lost or stolen temporary registrations shall be promptly reported to the Commission and to the local police; failure to do so shall be conclusive evidence of improper disposition thereof.

New Rule, R.2001 d.19, effective January 16, 2001.

See: 32 N.J.R. 3739(a), 33 N.J.R. 277(a).

Recodified from N.J.A.C. 13:21-15.8 and amended by R.2006 d.98, effective March 6, 2006.

See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

Rewrote (d), (h), (j), (n), (o) and (r) and added new (t); throughout replaced "Division" with "Commission" and "dealer's" with "dealer or"; former N.J.A.C. 13:21-15.9, Nonresident temporary registrations issued by licensed motor vehicle dealers, recodified as N.J.A.C. 13:21-15.10.

### **13:21-15.10 Nonresident temporary registrations issued by licensed motor vehicle dealers**

(a) A motor vehicle dealer licensed pursuant to N.J.S.A. 39:10-19 which has been authorized to issue temporary registrations by the Division of Motor Vehicles may, in accordance with this section, issue a nonresident temporary registration for a new or used vehicle to a nonresident person or entity who has purchased or leased said vehicle from such 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. A nonresident temporary registration 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) A nonresident temporary registration shall not be issued pursuant to this section if the motor vehicle dealer does not have in its possession a valid manufacturer's statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle.

(c) A nonresident temporary registration shall not be issued pursuant to this section unless the applicant therefor presents proof that he or she is a nonresident. Such proof of nonresidency shall include, but not be limited to, a valid out-of-State driver license which lists an out-of-State address for the applicant.

(d) An applicant for a nonresident temporary registration pursuant to this section shall present proof to the motor vehicle dealer or authorized signatory of his out-of-State residence and of the name of the insurance company that is providing liability insurance coverage for the vehicle and the

insurance policy number or binder number; such proofs shall be retained with the dealer's copy of the temporary registration.

(e) If the vehicle is subject to the Federal Heavy Vehicle Use Tax imposed by section 4481 of the Internal Revenue Code of 1954 (26 U.S.C. § 4481), a nonresident temporary registration shall not be issued unless the applicant therefor presents proof in the form prescribed by the United States Secretary of the Treasury that the tax has been paid.

(f) A nonresident temporary registration issued pursuant to this section shall expire at the end of 20 days or as soon as the permanent registration for the vehicle has been received by the registrant from his or her state or Federal district of residence, whichever occurs first. The nonresident temporary registration shall be destroyed by the registrant at the time of expiration.

(g) A motor vehicle dealer 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 shall not in any way alter a previously issued nonresident temporary registration.

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

(i) A licensed motor vehicle dealer that has been authorized to issue temporary registrations by the Division of Motor Vehicles may purchase nonresident temporary registrations from a motor vehicle agency at a cost of \$5.00 per nonresident temporary registration upon submission of a motor vehicle dealership business check in an amount that reflects the number of such nonresident temporary registrations being purchased by the dealer.

(j) A nonresident temporary registration issued by a motor vehicle dealer pursuant to this section is a three-part document consisting of an original and two copies thereof. Prior to the issuance of a nonresident temporary registration pursuant to this section, the motor vehicle dealer or authorized signatory shall assure that all required information has been either typed or printed in ink on the document and that such information is legible on the original and each of the copies thereof.

(k) The motor vehicle dealer or authorized signatory shall enter the following information in the appropriate locations on the right side of the nonresident temporary registration:

1. The name of the registrant;

2. The address of the registrant (provided, however, that the address does not appear on the original but only appears on each of the copies thereof);

3. A full description of the vehicle including its make, year, model, body type, vehicle identification number, color and, if a commercial vehicle, its gross weight;

4. The date of issue of the nonresident temporary registration;

5. The date of expiration of the nonresident temporary registration;

6. The name of the insurance company that has issued a policy covering the vehicle, as well as the insurance policy number or binder number; and

7. The motor vehicle dealer's name, address, dealer identification number, and telephone number.

(l) The motor vehicle dealer or authorized signatory shall both print and sign his or her name in the appropriate location on the nonresident temporary registration.

(m) The expiration date of the nonresident temporary registration shall be entered by the motor vehicle dealer or authorized signatory in the appropriate location on the lower left side of the document. The expiration date shall be written with black felt tip pen or indelible marker in numerals at least one inch high and one inch wide. This date must coincide with the expiration date entered by the motor vehicle dealer or authorized signatory in smaller numerals on the right side of the document in accordance with (k)5 above.

(n) The registrant shall execute the nonresident temporary registration in the appropriate location only after all other required information has been typed or printed on the document by the motor vehicle dealer or authorized signatory.

(o) The "original" of the nonresident temporary registration issued by a motor vehicle dealer pursuant to this section shall be affixed by the dealer or authorized signatory to the driver's side of the rear window inside the passenger compartment of the vehicle. The nonresident temporary registration shall be affixed in such a manner as to be clearly visible from the rear of the vehicle. For a motorcycle, a motorized bicycle or a vehicle without rear window glass, the nonresident temporary registration 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.

(p) The "Commission copy" of the nonresident temporary registration issued by a motor vehicle dealer pursuant to this section shall be forwarded, together with a properly assigned manufacturer's statement of origin or title for the vehicle and, if applicable, a properly assigned dealer reassignment certificate for the vehicle, to the Commission.

(q) The “dealer copy” of the nonresident temporary registration issued by a motor vehicle dealer pursuant to this section shall be retained by such dealer for a period of three years from the date of issuance of the nonresident temporary registration. Records pertaining to the issuance of nonresident temporary registrations by a motor vehicle dealer pursuant to this section, as well as records pertaining by a motor vehicle dealer pursuant to this section, as well as records pertaining to unissued or voided nonresident temporary registrations, shall be maintained in a ledger by such dealer for a period of three years. Such records including the “dealer copies” of nonresident temporary registrations issued by such dealer as well as any unissued or voided nonresident temporary registrations, that are in possession of the dealer, shall be made available by the licensed dealer for examination by authorized representatives of the Commission at any time during regular business hours. A licensed dealer 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.

(r) A motor vehicle dealer 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 who commits such a violation may, upon notice and an opportunity to be heard, have the motor vehicle dealer’s license suspended or revoked or renewal thereof refused by the Chief Administrator of the Commission pursuant to N.J.S.A. 39:10-20.

(s) All lost or stolen non-resident temporary registrations shall be promptly reported to the local police and the Commission; failure to do so shall be conclusive evidence of improper disposition thereof.

New Rule, R.2001 d.19, effective January 16, 2001.  
See: 32 N.J.R. 3739(a), 33 N.J.R. 277(a).  
Recodified from N.J.A.C. 13:21-15.9 and amended by R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).  
Rewrote the section.

### 13:21-15.11 Dealer plates

(a) All dealer plates shall be accounted for in a logbook or ledger, for which the following information is listed for each dealer plate:

1. The plate number;
2. Vehicle identification numbers (VINs) of all vehicles to which the plate was assigned, along with dates of assignment; and
3. The location at which the vehicle to which the plate is assigned is garaged (if not on dealer’s premises).

(b) The log or ledger in (a) above shall be maintained for at least three years.

(c) A motor vehicle dealer who fails upon the demand of the Commission to produce the log or ledger required pursuant to (a) above shall, upon notice and opportunity to be heard, be subject to suspension or revocation of the motor vehicle dealer’s license or the suspension or revocation of the privilege of retaining dealer plates heretofore issued or purchasing additional plates.

(d) No dealer plates may be affixed to a vehicle that would otherwise require registration as a commercial vehicle unless the vehicle is held solely for sale and is driven solely for demonstration purposes to prospective purchasers.

(e) No dealer plates may be affixed to a vehicle used for purposes of the dealership other than inventory.

(f) No dealer plate shall be affixed to a vehicle other than one titled in the name of the dealer or for which title documents are accompanied by a bill of sale or documents are held by the dealer to whom the plates were issued.

1. Title documents shall include a manufacturer’s certificate of origin or a title of which the dealer is the endorsee.

(g) Lost or stolen dealer plates shall be promptly reported to the local police and the Commission; failure to do so shall be conclusive evidence of improper disposition thereof.

New Rule, R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

### 13:21-15.12 New motor vehicle inspection stickers

(a) All new motor vehicle inspection stickers shall be accounted for in consecutive order in a logbook or ledger, for which the following information is listed for each sticker:

1. The plate number, if applicable;
2. The date of issue or date voided, whichever the case may be;
3. The year, make and VIN of vehicle to which the sticker was affixed, if applicable; and
4. The name, address and driver’s license number of registrant of the vehicle.

(b) The log or ledger in (a) above shall be maintained for at least three years.

(c) All voided stickers shall be retained by the dealer.

(d) Lost or stolen stickers shall be promptly reported to the local police and to the Commission; failure to do so shall be conclusive evidence of improper disposition thereof.

(e) A motor vehicle dealer who fails upon the demand of the Commission to produce the log or ledger required pursuant to (a) above or voided stickers retained pursuant to (c) above or who fails to report, or falsely reports, the loss or theft of stickers, as required by (d) above, shall, upon notice

and opportunity to be heard, be subject to suspension or revocation of the motor vehicle dealer's license.

New Rule, R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

### 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.

(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 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.

(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 license.

New Rule, R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

### 13:21-15.14 Hearings

(a) Except as provided in N.J.A.C. 13:21-15.15, prior to revoking, suspending, declining to renew or denying a motor vehicle dealer's license, or prohibiting any activity for which a license is required, the Chief Administrator will send a Notice of Proposed Disciplinary Action to the licensee's or applicant's business address.

(b) Within 25 days of the date of the Notice, the licensee or applicant may request a hearing concerning the proposed disciplinary action.

(c) The hearing request must be in writing, must list all contested issues of material fact, issues of law, and mitigating circumstances that the licensee intends to demonstrate.

(d) If the Chief Administrator finds that there exist issues of material fact or potentially mitigating circumstances, the matter will be referred for a hearing. The hearing shall be in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1 and N.J.A.C. 1:13.

(e) Prior to scheduling a formal hearing, the Chief Administrator may, in his or her sole discretion, elect to conduct a prehearing conference.

(f) If there are no material facts in dispute or specific mitigating circumstances subject to proof or if the licensee

does not respond to the Notice of Proposed Disciplinary Action, the Chief Administrator will issue a Final Administrative Determination appealable only to the Appellate Division of the Superior Court.

(g) Except in the case of extraordinary circumstances, it shall not be a defense to disciplinary action based on a failure to respond to a Notice of Proposed Disciplinary Action that the licensee or applicant was not present at the business address listed in the MVC records.

(h) Nothing herein shall prevent the Chief Administrator from seeking to resolve any disciplinary matters through informal means at any stage of disciplinary proceedings described in this section.

New Rule, R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

### 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 that 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 license.

(b) Along with the notice of preliminary suspension, the Commission will issue a notice of preliminary hearing to be held by the Commission no later than the 10th day after mailing of the notice.

1. At the preliminary hearing, the Commission will consider whether or not there exists probable cause to find that the alleged conduct that served as a basis for the preliminary suspension occurred and whether or not that conduct constitutes sufficient basis to find an emergent situation justifying the imposition of a preliminary suspension.

(c) Along with the notice of preliminary suspension, the Commission will issue a notice of proposed final suspension, revocation or other agency action.

(d) The licensee will be afforded an opportunity to request a hearing concerning the proposed final agency action pursuant to N.J.A.C. 13:21-15.14.

New Rule, R.2006 d.98, effective March 6, 2006.  
See: 37 N.J.R. 1002(a), 38 N.J.R. 1324(a).

## SUBCHAPTER 16. IDENTIFICATION CARDS FOR NONDRIVERS

### 13:21-16.1 Definitions

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