

[First Reprint]

**SENATE, No. 2968**

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**STATE OF NEW JERSEY**  
**217th LEGISLATURE**

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INTRODUCED JANUARY 30, 2017

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**Senator Oroho, Assemblyman Diegnan, Assemblywoman Pinkin,  
Assemblymen Clifton and Lagana**

**SYNOPSIS**

Establishes electronic lien and titling system for New Jersey motor vehicles.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on December 18, 2017, with amendments.



**(Sponsorship Updated As Of: 1/9/2018)**

1 AN ACT concerning an electronic lien and titling system for New  
2 Jersey motor vehicles and supplementing Title 39 of the Revised  
3 Statutes.

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

7  
8 1. a. Within 60 days of the effective date of this act, the Chief  
9 Administrator of the New Jersey Motor Vehicle Commission shall  
10 complete a study to determine whether the commission has the  
11 resources and capability to establish and implement, within 12  
12 months of the effective date of this act, an electronic lien and titling  
13 system to process and administer, in a cost-effective manner, the  
14 notification, recording, and release of security interests and title  
15 information by the lienholders of motor vehicles in lieu of a paper  
16 based system used for those purposes.

17 b. If the chief administrator determines that the commission  
18 has the resources and capability to establish and implement an  
19 electronic lien and titling system, the commission shall establish  
20 and implement an electronic lien and titling system within 12  
21 months of the effective date of this act.

22 c. If the chief administrator determines that the commission  
23 does not have the resources and capability to establish and  
24 implement an electronic lien and titling system, the commission  
25 shall contract with a qualified bidder to establish and implement an  
26 electronic lien and titling system for the State. A contract entered  
27 into pursuant to this subsection shall be offered, advertised, and  
28 awarded in the manner prescribed in chapter 34 of Title 52 of the  
29 Revised Statutes and consistent with the provisions of sections 2  
30 and 3 of this act.

31  
32 2. In addition to the requirements set forth in chapter 34 of  
33 Title 52 of the Revised Statutes, whenever the chief administrator  
34 seeks to contract for the establishment and implementation of an  
35 electronic lien and titling system, the specifications and invitations  
36 for bids shall include, but not be limited to, provisions providing  
37 that the contract:

38 a. shall be for a term of not less than seven years;

39 b. shall be a no-cost contract, ensuring that: (1) the commission  
40 shall be assessed no charges by the successful bidder for  
41 establishing and implementing the electronic lien and titling system;  
42 and (2) the successful bidder shall be obligated to reimburse the  
43 commission for all reasonable implementation costs directly  
44 associated with the establishment and implementation of the  
45 electronic lien and titling system; and

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SBA committee amendments adopted December 18, 2017.

1 c. authorizes the successful bidder to charge participating  
2 lienholders and their agents reasonable fees for implementing and  
3 administering an electronic lien and titling system.

4  
5 3. In addition to the provisions of chapter 34 of Title 52 of the  
6 Revised Statutes concerning the qualifications of bidders, an  
7 applicant seeking to enter into a contract with the State to establish  
8 and implement an electronic lien and titling system shall have a  
9 demonstrated history of directly providing both electronic lien  
10 services to state motor vehicle departments or agencies and  
11 electronic lien software and services to lienholders.

12  
13 4. Within one year of the date upon which an electronic lien  
14 and titling system established pursuant to this act becomes  
15 operational, all lienholders, except individuals and those lienholders  
16 who are not normally engaged in the business of financing motor  
17 vehicles and are administratively exempted by the chief  
18 administrator, shall participate in the electronic lien and titling  
19 system.

20  
21 5. The chief administrator may adopt, pursuant to the  
22 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
23 seq.), rules and regulations to effectuate the purposes of this act,  
24 including, but not necessarily limited to, ‘regulations providing for  
25 the oversight of any successful bidder by the chief administrator  
26 and<sup>1</sup> regulations designating the class or classes of lienholders that  
27 are exempt from the provisions of the act requiring participation by  
28 all lienholders within one year.

29  
30 6. This act shall take effect immediately.