

**SENATE, No. 2256**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED MARCH 16, 2020

**Sponsored by:**

**Senator DAWN MARIE ADDIEGO**

**District 8 (Atlantic, Burlington and Camden)**

**SYNOPSIS**

Concerns motor vehicle subscription services.

**CURRENT VERSION OF TEXT**

As introduced.



S2256 ADDIEGO

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1 AN ACT concerning motor vehicle subscription programs and  
2 supplementing Title 39 of the Revised Statutes.

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

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7 1. As used in this act:

8 “Qualified motor vehicle dealer” or “dealer” means a motor  
9 vehicle dealer authorized to engage in the business of buying,  
10 selling, or dealing in motor vehicles pursuant to R.S.39:10-19 who  
11 offers a subscription vehicle program to consumers.

12 “Subscription vehicle” means a motor vehicle offered by  
13 qualified motor vehicle dealer as a part of a dealer’s subscription  
14 vehicle program.

15 “Subscription vehicle program” or “program” means the use of a  
16 vehicle in a qualified motor vehicle dealer’s inventory as a  
17 subscription vehicle where the dealer offers the vehicle for use by a  
18 consumer for an established period of time upon payment of a fee.  
19 A subscription vehicle program shall not mean a “lease” as defined  
20 by section 2 of P.L.1994, c.190 (C.56:12-61) if the initial,  
21 established period of time for the consumer’s use of the vehicle  
22 does not exceed 120 days. Subsequent renewals of that established  
23 period of time which result in a consumer’s actual use of a vehicle  
24 exceeding 120 days in the aggregate shall not convert a subscription  
25 vehicle program into a lease as defined by section 2 of P.L.1994,  
26 c.190 (C.56:12-61).

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28 2. a. A qualified motor vehicle dealer may designate any  
29 vehicle in the dealer’s inventory as a subscription vehicle. There  
30 shall be no limit on the number of subscription vehicles the dealer  
31 may offer.

32 b. The dealer shall obtain from the Chief Administrator of the  
33 New Jersey Motor Vehicle Commission a registration and license  
34 plates pursuant to section 3 of P.L. c. (C. ) (pending before  
35 the Legislature as this bill) for all subscription vehicles offered by  
36 the dealer.

37 c. Whenever a dealer and a consumer enter into a contract  
38 pursuant to a subscription vehicle program, the dealer shall  
39 designate a license plate provided by the chief administrator  
40 pursuant to section 3 of P.L. , c. (C. ) (pending before the  
41 Legislature as this bill) for the vehicle selected by the consumer.  
42 The dealer shall provide to the chief administrator the following  
43 information: the motor vehicle identification number and license  
44 plate number assigned to the vehicle, the name of the subscriber,  
45 and the term of the subscription for the vehicle.

46 d. Upon the conclusion of the subscription, the dealer shall  
47 remove the license plate from the vehicle and notify the chief  
48 administrator that the subscription has terminated.

S2256 ADDIEGO

1       3. a. The chief administrator may issue, upon application by a  
2 qualified motor vehicle dealer on a form designated by the chief  
3 administrator, registration certificates and license plates for vehicles  
4 that the dealer offers as subscription vehicles. The license plate  
5 shall be assigned only to a vehicle being used by a qualified motor  
6 vehicle dealer as a subscription vehicle. The fee for the license  
7 plate shall be \$50 for each set of license plates.

8       b. The chief administrator shall design a license plate to  
9 identify a vehicle as a subscription vehicle. The plate shall contain  
10 an "S" designation and shall bear the marking "Subscription  
11 Vehicle." A dealer shall assign only the license plate produced  
12 pursuant to this subsection to a subscription vehicle.

13       c. A person shall not transfer a subscription vehicle license  
14 plate to any vehicle other than a subscription vehicle. Any person  
15 who violates the provisions of this subsection shall be fined a  
16 maximum of \$1,000.

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18       4. This act shall take effect on the first day of the seventh  
19 month after enactment, provided that the Chief Administrator of the  
20 New Jersey Motor Vehicle Commission may take any anticipatory  
21 action in advance as may be necessary to implement the provisions  
22 of this act.

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STATEMENT

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27       The bill authorizes qualified motor vehicle dealers to operate  
28 subscription vehicle programs. The bill authorizes any qualified  
29 motor vehicle dealer to designate any vehicle in the dealer's  
30 inventory as a subscription vehicle. The dealer is required to obtain  
31 a registration and license plates for each vehicle from the New  
32 Jersey Motor Vehicle Commission (MVC). Whenever a dealer and  
33 consumer enter into a contract for a subscription vehicle, the dealer  
34 is required to designate a special "S" license plate for the vehicle.  
35 Upon conclusion of the subscription, the dealer is required to  
36 remove the license plate and notify the chief administrator of the  
37 MVC that the subscription has ended.

38       The bill authorizes the chief administrator of the MVC to issue  
39 registration certificates and license plates for vehicles that dealers  
40 offer as subscription vehicles. The license plates are to cost \$50,  
41 contain an "S" designation, bear the marking "Subscription  
42 Vehicle", and may only be assigned to vehicles that are used as  
43 subscription vehicles.

44       The bill prohibits transferring the subscription vehicle license  
45 plates to any vehicle other than a subscription vehicle. Failure to  
46 comply with that prohibition subjects the person to a fine of up to  
47 \$1,000.