SENATE, No. 3330

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 11, 2021

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

Co-Sponsored by:

Senators T.Kean, Singleton and Turner

SYNOPSIS

Extends timeframe for receiving certain documents issued by MVC under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/21/2021)

AN ACT extending the timeframe for receiving certain documents issued by the New Jersey Motor Vehicle Commission, amending P.L.1964, c.163 and R.S.39:10-11, and supplementing Title 39 of the Revised Statutes.

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

- 9 1. Section 1 of P.L.1964, c.163 (C.39:3-30.3) is amended to 10 read as follows:
 - 1. <u>a.</u> Any motor vehicles registered in the name of any decedent may be operated, upon the public highways of this State, by a duly licensed driver who is, or is authorized to drive the same by, the surviving spouse or other member of the family of said decedent, under and by virtue of the registration certificate of such motor vehicle issued to such decedent, for a period of not exceeding 30 days after the death of such decedent.
 - b. Notwithstanding any provision of subsection a. of this section to the contrary, during a state of emergency declared by the Governor, if a person inherits a motor vehicle from a decedent and is required to schedule an appointment with the New Jersey Motor Vehicle Commission to register the motor vehicle in the person's name, the person may operate the motor vehicle until the date of the appointment regardless of whether the date of the appointment is more than 30 days after the death of the decedent. This subsection shall only apply if the person inheriting the motor vehicle from the decedent schedules an appointment to register the motor vehicle in the person's name within 30 days of the death of the decedent.

2. R.S.39:10-11 is amended to read as follows:

(cf: P.L.1964, c.163, s.1)

- 39:10-11. A. The purchaser of a motor vehicle in this State, other than a dealer licensed pursuant to the provisions of R.S.39:10-19, shall, within 10 working days after its purchase, submit to the [director] <u>chief administrator</u> evidence of the purchase. presentation to the [director] chief administrator of the certificate of origin, or certificate of ownership, or bill of sale issued prior to October 1, 1946, with proper assignment and certification of the seller, a record of the transaction shall be made and filed. A certificate of ownership shall be issued by the [director] chief administrator and delivered to the buyer, in case of a sale not subject to a security interest, and the [director] chief administrator shall collect a fee of \$20 for the issuance and filing thereof.
 - Notwithstanding any provision of this subsection to the contrary, during a state of emergency declared by the Governor, if the

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

purchaser of a motor vehicle is required to schedule an appointment with the New Jersey Motor Vehicle Commission to submit evidence of the purchase of the motor vehicle, the purchaser shall submit evidence of the purchase at the date of the appointment, regardless of whether the date of the appointment is more than 10 working days after the purchase of the motor vehicle. This provision shall only apply if the purchaser schedules an appointment to submit evidence of the purchase of the motor vehicle within 10 working days after the purchase.

- B. In the case of a sale subject to a security interest, a certificate of ownership, with the name and address of the holder of the encumbrance or secured party or his assignee recorded thereon, shall be delivered to the holder of the encumbrance or secured party or his assignee and a copy thereof shall be delivered to the buyer. The [director] chief administrator shall collect a fee of \$30 for his services in issuing a certificate and copy thereof, and for making a record of and filing the record of the transaction, pursuant to this subsection.
- C. Except as hereinafter in this section otherwise expressly provided, whenever a security interest is created in a motor vehicle, other than a security interest which is required to be noted on the certificate of origin or the certificate of ownership, as provided in R.S.39:10-8 and R.S.39:10-9, there shall be filed with the [director] chief administrator the certificate of ownership of the motor vehicle, together with a financing statement on a form prescribed by the [director] chief administrator. The [director] chief administrator shall make and file a record of the transaction and shall issue a certificate of ownership, recording the name and address of the secured party or his assignee thereon, and shall deliver it to the secured party or his assignee. A copy of the certificate of ownership so issued shall be delivered to the buyer. The [director] chief administrator shall collect a fee of \$20 for his services in issuing a certificate and copy thereof and for making a record of and filing the record of the transaction, pursuant to this subsection.
- D. The financing statement required to be filed pursuant to subsection C. hereof shall be signed only by the buyer, shall not be required to be acknowledged or proved, and shall show, in addition to such matters as the <code>[director]</code> chief administrator may require for the proper identification of the motor vehicle affected, the date of the security agreement, and the names and addresses of the parties thereto. Nothing in this section <code>[39:10-11]</code> contained shall be construed as requiring that the security agreement or a copy thereof, or any proof of execution thereof other than that contained in the financing statement, shall be presented to the <code>[director]</code> chief administrator. When the buyer is a corporation, it shall be sufficient if the financing statement is signed by any officer thereof,

or by any agent designated by the corporation for that purpose, and it shall not be necessary that the financing statement recite the authorization of the agent. When there is more than one buyer, it shall be sufficient if the financing statement is signed by any one of them.

- E. Nothing in subsections C. and D. of this section shall apply to security interests in motor vehicles which constitute inventory held for sale, but such interests shall be subject to chapter 9 of Title 12A of the New Jersey Statutes, nor shall anything in the said subsections apply to interests in personal property subject to chapter 28 of Title 46 of the Revised Statutes.
- F. In addition to the fees elsewhere in this section provided for, there shall be paid to the **[**director**]** chief administrator at the time a certificate of ownership is issued a fee of \$10 for notice of satisfaction of the lien or encumbrance of the record or abstract, or of the termination of the security interest, where the motor vehicle is subject to a lien or encumbrance or a security interest as provided in R.S.39:10-14.
- G. Notwithstanding any other provision of this chapter, when any dealer licensed under the provisions of R.S.39:10-19 is the purchaser of a motor vehicle in this State, he may, within 10 working days after its purchase, submit to the [director] chief administrator the evidence of purchase. Upon presentation of the certificate of ownership with proper assignment and certification of the seller to the [director] chief administrator, a record of the transaction shall be made and filed. A certificate of ownership shall be issued by the [director] chief administrator and delivered to such purchaser, and the [director] chief administrator shall collect a fee of \$10 for the issuing and filing thereof.
- If a dealer does not submit the evidence of purchase, upon resale of the motor vehicle he shall execute and attach to the certificate of ownership a dealer reassignment certificate. The **[**director**]** chief administrator shall issue dealer reassignment certificates in lots upon payment of a fee of \$10 for each certificate.
- H. Any purchaser of a motor vehicle who fails to comply with the provisions of this section shall pay to the **[**director**]** chief administrator a penalty of \$25 plus the issuing and filing fee.
- I. The failure of any person to comply with the requirements of this section shall not constitute a misdemeanor within the provisions of R.S.39:10-24, nor shall such failure affect the validity of any instrument creating or reserving a security interest in a motor vehicle, as between the parties to such instrument.
- J. The notation of the name and business or residence address of a secured party or his assignee, on the certificate of origin or on the certificate of ownership, as provided in R.S.39:10-8 and R.S.39:10-9, and the presentation to the **[**director**]** chief administrator, in accordance with R.S.39:10-11, of the certificate of origin or

- certificate of ownership so noted, and the compliance with the requirements of subsections C. and D. of R.S.39:10-11 shall be in lieu of all filing requirements imposed by chapter 9 of Title 12A of the New Jersey Statutes and shall constitute the perfection of a security interest in the motor vehicle, and the rights and remedies of the debtors and the secured parties in respect to such security interest shall, except as otherwise expressly provided in this chapter, be subject to and governed by chapter 9 of Title 12A of the New Jersey Statutes.
 - (cf: P.L.1994, c.60, s.26)

- 3. (New section) a. During a state of emergency declared by the Governor, if a customer is required to schedule an appointment with the New Jersey Motor Vehicle Commission to renew a document, the expiration date of the document subject to renewal shall be automatically extended until the date of the appointment except as otherwise required by federal law.
- b. The commission shall issue documentation to the customer extending the expiration date of the document in accordance with the provisions of subsection a. of this section.
- c. This section shall apply to all documents that are required to be renewed in-person and by appointment-only at a commission agency. This section shall only apply if a customer schedules an appointment to renew a document prior to the expiration date listed on the document.

4. This act shall take effect immediately.

STATEMENT

 This bill extends the timeframe for receiving certain documents issued by the New Jersey Motor Vehicle Commission (commission) during a state of emergency declared by the Governor.

Under the bill, if, during a state of emergency declared by the Governor, a person is required to schedule an appointment to register a motor vehicle that the person inherits, the person is authorized to operate the motor vehicle until the date of the appointment without obtaining a new registration for the motor vehicle, instead of for a maximum period of 30 days after the decedent's death. For this exception to apply, the person is required to schedule the appointment within 30 days of the death of the decedent.

If, during a state of emergency declared by the Governor, the purchaser of a motor vehicle is required to schedule an appointment with the commission to submit evidence of the purchase of a motor vehicle, the purchaser is required to submit this evidence at the date of the appointment, instead of within 10 working days after the

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purchase. For this exception to apply, the purchaser is required to schedule the appointment within 10 working days after the purchase.

The bill further provides that during a state of emergency 4 5 declared by the Governor, if a customer is required to schedule an 6 appointment to renew a document, the expiration date of the 7 document is to be automatically extended until the date of the 8 appointment. The commission is required to issue documentation to 9 the customer that extends the expiration date of the document as provided in the bill. This provision of the bill is to apply to all 10 documents that are required to be renewed in-person and by 11 12 appointment-only at a commission agency. This provision only 13 applies if a customer schedules an appointment to renew a 14 document before the date that the document expires.