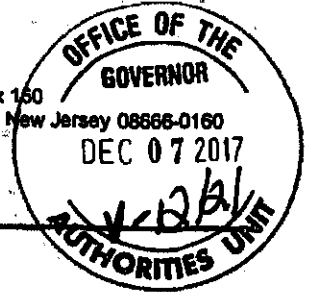


 **New Jersey
Motor Vehicle Commission**

P.O. Box 150
Trenton, New Jersey 08646-0150



STATE OF NEW JERSEY

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Raymond P. Martinez
Chairman and Chief Administrator

December 7, 2017

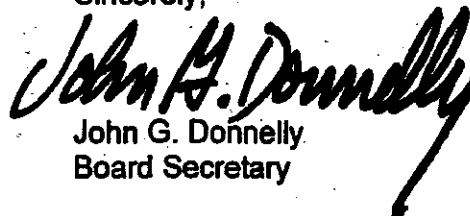
Honorable Chris Christie
Governor, State of New Jersey
225 West State Street
Post Office Box 001
Trenton, NJ 08625-0001

Dear Governor Christie:

In accordance with Section 17 of The Motor Vehicle Security and Customer Service Act of 2003, constituting Chapter 13 of the laws of 2003 of the State of New Jersey, as amended pursuant to P. L. 2007, Chapter 335 and pursuant to P. L. 2009, Chapter 298, I herein transmit the minutes of actions taken at the open session of the Regular Meeting of the New Jersey Motor Vehicle Commission Board at Floor 8E, Motor Vehicle Commission Headquarters, Thursday, December 7, 2017.

Thank you.

Sincerely,


John G. Donnelly
Board Secretary

Enclosure

 **New Jersey
Motor Vehicle Commission**

P.O. Box 160
Trenton, New Jersey 08666-0160

STATE OF NEW JERSEY

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Raymond P. Martinez
Chairman and Chief Administrator

December 7, 2017

Honorable Chris Christie
Governor, State of New Jersey
225 West State Street
Post Office Box 001
Trenton, NJ 08625-0001

Dear Governor Christie:

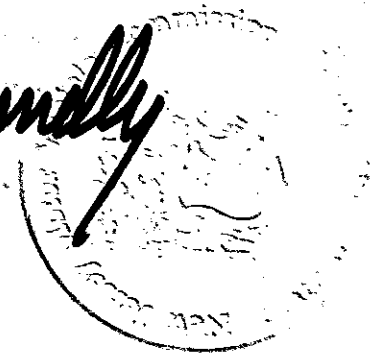
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Thank you.

Sincerely,



John G. Donnelly
Board Secretary



Enclosure

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NEW JERSEY MOTOR VEHICLE COMMISSION

Minutes by Board Secretary John G. Donnelly of actions taken at the Open Session of the Regular Board meeting of the New Jersey Motor Vehicle Commission (MVC) Board held at Floor 8E, Motor Vehicle Commission Headquarters, 225 East State Street, Trenton, New Jersey on Thursday, December 7, 2017.

Present:

Raymond P. Martinez, Chairman
Stephen S. Scaturro, Vice-Chairman
Walter Orcutt, Public Board Member (by speakerphone)
Laurette Asante, Public Board Member (by speakerphone)
Susan Pigula, Transportation Commissioner Designee
James Fruscione, State Treasurer Designee (by speakerphone)
Gary Poedubicky, Attorney General Designee

Deputy Attorney General Philip Espinosa and Governor's Authorities Unit Assistant Counsel Craig Ambrose participated.

Chairman Raymond P. Martinez convened the Open Session at 2:05 p.m. in accordance with the Open Public Meetings Act, and led the Pledge of Allegiance.

Agenda Approval. Transportation Manager Pigula moved to accept the agenda proposed, Board Member Orcutt seconded the motion and it was unanimously adopted.

Vice-Chairman Scaturro congratulated Chairman Martinez on his nomination as Administrator of the Federal Motor Carrier Safety Administration, and all wished him well as he awaits U.S. Senate confirmation.

Chairman's Report

The Chairman then presented this report of key Commission activities since the October 12, 2017 Board Meeting:

League of Municipalities

Our staff has certainly been busy for the past few months. In November, MVC volunteers were hard at work again at the annual League of Municipalities conference in Atlantic City. A number of our dedicated staff members were on hand at the MVC booth to answer motor vehicle-related questions as well as to promote the JustDrive.com campaign against distracted driving. Visitors to the booth were invited to spin the prize wheel and take home JustDrive.com gear, including our new co-branded items with the New York Jets and Rutgers University. Visitors were also able to try our newly-upgraded virtual reality texting and driving simulator. Thank you to all the volunteers who made this event a success!

New Regulations

In addition to our presence at the League, the MVC has been busy preparing to adopt some new regulations, which we will be voting on in just a few moments. I'd like to take a minute to highlight some of the changes we're putting into effect.

Autocycles

The MVC is proposing to adopt regulations regarding autocycles, in order to keep up with the evolving options available to the motoring public. Autocycle drivers and passengers will be required to wear helmets and seatbelts, and owners will be issued autocycle plates instead of motorcycle plates. Similar to motorcycles, autocycles will be exempt from enhanced inspection requirements. While autocycles will be treated similarly to motorcycles in many respects, the proposed regulations clarify that an autocycle cannot be used for a motorcycle endorsement test.

Homeless ID Cards for Nondrivers

We are also proposing regulations that will waive the fee for non-driver ID cards issued to homeless persons who submit proof of temporary residence to the MVC. As a result, individuals who lack a permanent address can obtain identification that can help them access other vital services or even gain employment.

TNCs

The MVC is also moving to implement new requirements for Transportation Network Companies (TNCs) such as Uber and Lyft. As technology has revolutionized the transportation industry, it is necessary for our regulatory framework to keep pace and to reflect the differences between TNCs and traditional taxi/limo services. The new regulations mandate criminal background checks for drivers and establish minimum insurance requirements to protect the riding public. We are also implementing rules that will ensure transparency in pricing and protect riders with disabilities. Finally, we are implementing a new permitting process under our Business Licensing Bureau to ensure that TNCs operating in the state are complying with our requirements.

JustDrive Campaign

With so much going on, we are still continuing to grow our JustDrive.com campaign against distracted driving utilizing a new partnership with the New Jersey Devils. Devils fans are exposed to our lifesaving message with in-game advertisements as well as a "texting cam" which borrows from the "kissing cam" to highlight spectators who are paying more attention to their phone than the action on the ice. Additionally, we have filmed a distracted driving public service announcement that is now featured on JustDrive.com as well as our YouTube channel.

Happy Holidays

Before we move onto the agenda, I would like to wish everyone in attendance a happy and healthy holiday season. It's hard to believe that 2017 is almost over, but we can all be proud of the Commission's accomplishments during this busy year. I hope that everyone in attendance will have the opportunity to celebrate with their families and loved ones over the next few weeks.

The following Agenda Items were presented for approval:

Minutes: October 12, 2017. This item is to fulfill the requirements of The Motor Vehicle Security and Customer Service Act and of the Bylaws to approve the Minutes of each MVC Board Meeting, by approving the Minutes of the MVC Board Meeting of October 12, 2017.

Board Member Asante moved the resolution, Board Member Orcutt seconded it and it was unanimously adopted.

1712-01: Delegation of Authority. This action is to meet the statutory requirement of The Motor Vehicle Security and Customer Service Act ("Act"), P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, to ensure efficient operation of the Commission, including Board approval at Section 13 to delegate authority in the absence of the Chief Administrator or Deputy Chief Administrator. The Board hereby delegates that authority to the Deputy Administrator of Finance and Administration. Board Secretary Jack Donnelly presented the Delegation Resolution.

Board Member Orcutt moved the resolution, Manager Pigula seconded it and it was unanimously adopted.

1712-02: 2018 MVC Board Meeting Dates. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to announce MVC Board Meeting Dates annually. Jack Donnelly, Board Secretary, presented the proposed meeting dates.

Board Member Asante moved the resolution, Board Member Orcutt seconded it and it was unanimously adopted.

1712-03: Licensing Service Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Adoption of the regulations to implement standards for slow moving vehicle emblems, and related statutory and registration issues. Rebecca Donington of the Office of Regulatory and Legislative Affairs, presented the regulation.

Vice-Chairman Scaturro moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

1712-04: Autocycles. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper

functioning of the Commission, including this Final Rule concerning autocycles. Richard Del Monaco of the Office of Regulatory and Legislative Affairs, presented the regulation.

Board Member Orcutt moved the resolution, Manager Pigula seconded it and it was unanimously adopted.

1712-05: Homeless ID. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Rule concerning an exemption from fees for those who are homeless and need an MVC ID. Cassandra Berry of the Office of Regulatory and Legislative Affairs, presented the regulation.

Vice-Chairman Scaturro moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

1712-06: Amber Lights. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Rule regarding amber lights. Cassandra Berry of the Office of Regulatory and Legislative Affairs, presented the regulation.

Board Member Asante moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

1712-07: Transportation Network Companies. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Proposed New Rule for TNC's. JoAnne Sutkin of the Office of Regulatory and Legislative Affairs, presented the regulation.

Director Poedubicky moved the resolution, Manager Pigula seconded it and it was unanimously adopted.

1712-08: Motorized Bicycles. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Proposed Readoption without Amendment of the Motorized Bicycles Regulation. Board Secretary Jack Donnelly presented the rule.

Vice-Chairman Scaturro moved the resolution, Director Poedubicky seconded it and it was unanimously adopted.

1712-09: ZORF. This action is to meet the statutory requirement of The Motor Vehicle Security and Customer Service Act that at section 98 assigns to MVC the duty to implement the Zone Of Rate Freedom (ZORF) law found at N.J.S.A. 48:4-2.20 to 2.25. Board Secretary Jack Donnelly presented the proposed amendment for 2018.

Board Member Orcutt moved the resolution, Manager Pigula seconded it and it was unanimously adopted.

Legislative Report. A briefing was provided by Legislative Liaison Laura Hahn, including a summary of legislative activity since the October 2018 Motor Vehicle Commission (MVC) Board meeting.

Chairman Martinez thanked Laura for the presentation.

Public Comments:

No member of the public offered comments.

Chairman Martinez then noted that there was no further business before the Board, and thanked the Board Members and staff for their continuing service.

Chairman Martinez thanked the MVC Board Members for their support of him as MVC Board Chairman during the last seven and one-half years.

Adjournment:

Since there were no further comments or business, a motion to adjourn was made by Director Poedubicky and seconded by Board Member Asante and unanimously adopted at 3:00 p.m.

**NEW JERSEY MOTOR VEHICLE COMMISSION
REGULAR MEETING OF THE BOARD MEMBERS
Commission Headquarters, 8th Floor East Wing
225 East State Street, Trenton, New Jersey
2:00 p.m., Thursday, December 7, 2017**

FINAL AGENDA

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• 3 – PLEDGE OF ALLEGIANCE	8232
• 4 – APPROVAL OF AGENDA	8232
• 5 – CHAIR'S REPORT	8232
• 6 – APPROVAL OF MINUTES OF OCTOBER 12, 2017	8238
• 7 – APPROVAL OF ITEM 1712-01 – DELEGATION OF AUTHORITY	8246
• 8 – APPROVAL OF ITEM 1712-02 – BOARD MEETINGS DATES FOR 2018	8248
• 9 – APPROVAL OF ITEM 1712-03 – FINAL ADOPTION – LICENSING SERVICE – FARM VEHICLES REGULATION	8251
• 10 – APPROVAL OF ITEM 1712-04 – FINAL ADOPTION – AUTOCYCLES REGULATION	8254
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• 12 – APPROVAL OF ITEM 1712-06 – FINAL ADOPTION – ENFORCEMENT SERVICE – AMBER LIGHTS REGULATION	8261
• 13 – APPROVAL OF ITEM 1712-07 – PROPOSED NEW RULE – TRANSPORTATION NETWORK COMPANIES REGULATION	8265
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Approval: Minutes of October 12, 2017

BENEFITS

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, provides at section 17 that the actions taken at MVC Board meetings do not become effective until approved by the Governor. Thereafter, the Minutes are presented to the Board Members for approval consistent with the MVC Board Bylaws.

PURPOSE

The Act at section 17 states that "A true copy of the minutes of every meeting of the Board shall be delivered by and under the certification of the Secretary of the Board, without delay, to the Governor. No action taken at the meeting shall have force or effect until ten days, Saturday, Sundays, and public holidays excepted, after the minutes are delivered, unless during the ten day period the Governor approves the Minutes, in which case the action shall become effective upon approval. If, in that ten day period, the Governor returns copies of the minutes with a veto of any action taken by the Board or any Member, the action shall be null and void and of no effect."

The October 12, 2017 Minutes were delivered on October 12, 2017 to the Governor, and became effective upon expiration of the ten day period on October 26, 2017.

ACTION

Approval of this item by the Board Members indicates acceptance of the October 12, 2017 Minutes.

FISCAL IMPACTS

None.

RESOLUTION

WHEREAS, consistent with the Bylaws the Minutes of actions taken at meetings of the New Jersey Motor Vehicle Commission Board are to be approved by the Board Members; and

WHEREAS, pursuant to section 17 of The Motor Vehicle Security and Customer Service Act , P.L. 2003, c. 13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, a true copy of the Minutes of the actions taken at the New Jersey Motor Vehicle Commission Board meeting of October 12, 2017 were delivered without delay to the Governor on October 12, 2017; and

WHEREAS, those Minutes do not become effective until expiration of the ten day review period or otherwise approved by the Governor; and

WHEREAS, Minutes of the October 12, 2017 Board Meeting are effective as of October 26, 2017; and

NOW, THEREFORE, BE IT RESOLVED that the Minutes of actions taken at the October 12, 2017 New Jersey Motor Vehicle Commission Board meeting are hereby approved.

NEW JERSEY MOTOR VEHICLE COMMISSION

Minutes by Board Secretary John G. Donnelly of actions taken at the Open Session of the Regular Board meeting of the New Jersey Motor Vehicle Commission (MVC) Board held at Floor 8E, Motor Vehicle Commission Headquarters, 225 East State Street, Trenton, New Jersey on Thursday, October 12, 2017.

Present:

Raymond P. Martinez, Chairman
Stephen S. Scaturro, Vice-Chairman
Walter Orcutt, Public Board Member (by speakerphone)
Laurette Asante, Public Board Member (by speakerphone)
Susan Pigula, Transportation Commissioner Designee
James Fruscione, State Treasurer Designee (by speakerphone)
Gary Poedubicky, Attorney General Designee

Deputy Attorney General Jennifer Jaremback and Governor's Authorities Unit Assistant Counsel Craig Ambrose participated by speakerphone.

Chairman Raymond P. Martinez convened the Open Session at 2:05 p.m. in accordance with the Open Public Meetings Act, and led the Pledge of Allegiance.

Agenda Approval. Transportation Manager Pigula moved to accept the agenda proposed, Board Member Orcutt seconded the motion and it was unanimously adopted.

Vice-Chairman Scaturro congratulated Chairman Martinez on his nomination as Administrator of the Federal Motor Carrier Safety Administration, noted several of the Chairman's many successes to-date at MVC, and looks forward to celebrating many more successes.

Chairman's Report

The Chairman then presented this report of key Commission activities since the August 8, 2017 Board Meeting:

JustDrive.com 125

First off, I would like to take a moment to thank the many MVC employees who made the trip down to Millville on Saturday, September 16 to support our sponsorship of the second annual NASCAR JustDrive.com 125. Through their efforts, thousands of race fans were exposed to our JustDrive.com campaign, which highlights the consequences of talking and texting while driving. The event was a prime opportunity to spread this life-saving message, as well as to show New Jersey residents the good work that the MVC is doing to make our roads safer. I am thrilled to see this collaboration build for the second year in a row and am hopeful that the efforts we have made through our JustDrive.com campaign will continue to help make New Jersey's roads safer.

Teen Driver Safety Week

Continuing with the theme of safe driving, from October 15th- October 21st, the MVC will be recognizing National Teen Driver Safety Week. The MVC recently reached an agreement to partner with New Jersey Manufacturers Insurance Company to promote the "Share the Keys" program, which provides resources to parents to help them help their young drivers develop safe driving habits and is a natural complement to our JustDrive.com campaign. New Jersey Manufacturers is sponsoring a contest where schools will compete to see who can garner the most signatures to the JustDrive pledge, with the winning school receiving a prize to benefit driver education efforts. This is yet another example of how the MVC is working with its partners to help impress upon young people the importance of responsible and safe driving.

Rebeka Verea Foundation

Continuing our commitment towards educating young motorists about the dangers of reckless driving, the MVC will be participating in the Rebeka Verea Foundation's 3rd Annual SAY YES TO LIFE Injury Prevention Educational Seminar for Educators and Administrators later this month.

The Foundation was formed in honor of a young woman who was tragically killed while riding in a car with a novice driver who was going in excess of the speed limit. The seminar will allow the MVC to bring the message behind our JustDrive.com campaign to educators and school administrators who are among the most influential individuals in a young person's life, and we are proud to continue our affiliation with this special group.

Skip the Trip Milestone

The MVC continues its efforts to make things easier for our customers, in many cases saving them from having to visit one of our agencies. As of August 29th, our Skip the Trip initiative hit a significant milestone – two million licenses renewed through the mail.

That means two million less customers in line and countless hours saved for New Jersey motorists as well as MVC staff. I am extremely proud of all those at the Commission who have helped us reach that number since we first rolled out the Skip the Trip initiative in 2012.

Honoring Officer Franchi and MVC Employees

Before we move on to the rest of our agenda, I would like to take a few moments to speak about the brave actions of a Police Officer stationed at one of our agencies, as well as those of several MVC employees. Back in April, Washington Township Police Officer Anthony Franchi was working at our Washington Agency. Shortly before closing, a customer informed Officer Franchi of an altercation in the parking lot. As he was attempting to de-escalate the situation, he was attacked.

Hearing the commotion, MVC employees Ryan Armstrong, Andre Sawaya and David Fraser rushed to help Officer Franchi subdue his attacker, who was then arrested and has since been charged with resisting arrest and assaulting a police officer. These individuals were recognized at a ceremony in August at the Washington Agency, but I also wanted to ensure that they were honored by the MVC Board. In a few moments, we will be recognizing each of them individually.

The following Agenda Items were presented for approval:

1710-01: Awards to Washington Township (Gloucester County) Police Officer Allen Franchi and MVC Staffmembers Ryan Armstrong, Andre Sawaya and David Fraser. This action is to meet the statutory requirement of The Motor Vehicle Security and Customer Service Act ("Act"), P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at Section 2 that MVC inform our customers of the work of MVC, which includes distinguished and invaluable service provided by New Jersey's police officers who secure MVC agencies through the Law Enforcement Agency Security Enhancement (LEASE) Program.

The Board approved a resolution to recognize and thank Washington Township Police Officer Allen Franchi, who demonstrated exemplary valor and selfless actions in defense of the State's security at the MVC Agency in Turnersville on Tuesday, April 18, 2017.

Director Poedubicky moved the resolution, Vice-Chairman Scaturro seconded it and it was unanimously adopted.

Chairman Martinez presented Officer Franchi with the framed resolution, and with an Award Plaque entitled "Law Enforcement Partner Award" that reads: "Presented to Officer Allen Franchi for Exemplary Service to the Motor Vehicle Commission." Chairman Martinez and Officer Franchi were then joined by Washington Township Police Chief Patrick Gurcsik for photographs.

Chairman Martinez then asked MVC Staffmembers Ryan Armstrong, Andre Sawaya and David Fraser of the MVC Turnersville Agency to join him, and presented them with Award Plaques entitled "Security Standards Award" that recognized each of them "for Exemplary Service to the Motor Vehicle Commission." Ryan, Andre and David ran into the Agency parking lot to pull an assailant off of Officer Franchi. All three of them held the assailant on the ground until the assailant was handcuffed and arrested.

The Chairman, Ryan, Andre and David were photographed with Police Chief Gurcsik and Officer Franchi, with acknowledgements for their daily efforts and those of their coworkers that keep us safe.

1710-02: Licensing Service Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed amendment of the Licensing Service regulations concerning the use of an interpreter for the written knowledge test and the road test. Cassandra Berry of the Office of Regulatory and Legislative Affairs, presented the regulation.

Vice-Chairman Scaturro moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

1704-03: ZORF. This action is to meet the statutory requirement of The Motor Vehicle Security and Customer Service Act that at section 98 assigns to MVC the duty to implement the Zone Of Rate Freedom (ZORF) law found at N.J.S.A. 48:4-2.20 to 2.25. Board Secretary Jack Donnelly presented the Final Adoption of the readoption with amendments.

Board Member Orcutt moved the resolution, Manager Pigula seconded it and it was unanimously adopted.

1710-04: Disabled Veteran and Purple Heart Placard Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Rule concerning an exemption from municipal parking fees for disabled veterans and Purple Heart recipients. JoAnne Sutkin of the Office of Regulatory and Legislative Affairs, presented the regulation.

Vice-Chairman Scaturro moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

1710-05: Licensing Service Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Rule regarding duplicate registrations and other matters. JoAnne Sutkin of the Office of Regulatory and Legislative Affairs, presented the regulation.

Board Member Asante moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

1710-06: Compliance and Safety Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Proposed Readoption with Amendments of the Compliance and Safety regulation. JoAnne Sutkin of the Office of Regulatory and Legislative Affairs, presented the regulation.

Director Poedubicky moved the resolution, Manager Pigula seconded it and it was unanimously adopted.

1710-07: Federal Grant. This item is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act for the Board to accept federal grants. Deputy Administrator for Business & Compliance Donna Pennabere described the grant. FMCSA has awarded \$1,134,503.00 to the New Jersey Motor Vehicle Commission (MVC) to complete three projects in the 2017 Commercial Driver License Program Implementation (CDLPI) grant application. Projects approved for the 2017 CDLPI grant funding include the Commercial Driver License (CDL) Mobile Compliance Unit, the CDL Interstate Fraud Prevention Initiative and the CDL Compliance and Coordination effort.

Vice-Chairman Scaturro moved the resolution, Director Poedubicky seconded it and it was unanimously adopted.

Minutes: August 8, 2017. This item is to fulfill the requirements of The Motor Vehicle Security and Customer Service Act and of the Bylaws to approve the Minutes of each MVC Board Meeting, by approving the Minutes of the MVC Board Meeting of August 8, 2017.

Board Member Asante moved the resolution, Board Member Orcutt seconded it and it was unanimously adopted.

Legislative Report. A briefing was provided by Legislative Liaison Laura Hahn, including a summary of legislative activity since the August 2017 Motor Vehicle Commission (MVC) Board meeting, as follows: Atlantic County Freeholder Colin Bell and Passaic County Clerk Kristin Corrado were sworn in to fill out the balance of the terms through January 2018 of Jim Whelan (deceased) and Kevin O'Toole (resigned); respectively. Both are on the ballot next month as they are each seeking a full term.

Chairman Martinez thanked Laura for the presentation.

Public Comments:

No member of the public offered comments.

Chairman Martinez then noted that there was no further business before the Board, and thanked the Board Members and staff for their continuing service.

Chairman Martinez reflected on Vice-Chairman Scaturro's kind words earlier in the meeting, and explained that the role of Administrator of the Federal Motor Carrier Safety Administration is an honor that requires confirmation by the United States Senate, and thanked the MVC Board Members for their support of him as MVC Board Chairman during the last seven and one-half years.

Adjournment:

Since there were no further comments or business, a motion to adjourn was made by Director Poedubicky and seconded by Board Member Asante and unanimously adopted at 3:00 p.m.

ITEM 1712-01: DELEGATION OF SIGNATORY AUTHORITY**BENEFITS**

The Motor Vehicle Security and Customer Service Act (the "Act"), P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at section 28 assigns to the MVC Chief Administrator the general responsibility for the implementation of the Act, including without limitation performing, exercising and discharging the functions, powers and duties of the Commission. The Act also sets forth at section 10 that the Deputy Chief Administrator shall assist in the day-to-day administration of the Commission and shall have all of the powers and duties of the Chief Administrator, as authorized and assigned by the Chief Administrator, and further sets forth that the Deputy Chief Administrator shall carry out all of the Chief Administrator's duties and responsibilities during the Chief Administrator's absence, disqualification or inability to serve.

The Act, however, is silent as to any further succession for the day-to-day administration of the Commission in the event of the concurrent absence, disqualification or inability to serve of both the MVC Chief Administrator and MVC Deputy Chief Administrator. The Act, at section 13, sets forth the powers and duties of the MVC Board and authorizes the Board to, among other things, "[d]elegate to the administrator and any other officers of the commission such powers and duties as necessary and proper to carry out the purposes of" the Act, including the power to "[e]nter into agreements or contracts, . . . [and] execute any and all instruments"

PURPOSE

The effect of this item shall be to delegate to the position of MVC Deputy Administrator for Finance and Administration ("DA-FA") the power to execute agreements or contracts and any and all instruments on behalf of the MVC in the event of the concurrent vacancy, absence, disqualification or inability to serve of both the MVC Chief Administrator and the MVC Deputy Chief Administrator.

The DA-FA is chosen due to the fact that the MVC Organizational Structure at N.J.A.C. 13:18-11.1(c)(1) lists the DA-FA first among the DA's, and also given that the MVC Board's most recent delegation at its May 26, 2009 meeting was to the person who held that position (although May 26, 2009 Board Resolution says "Chief of Staff," which was a new title given to that DA-FA at that time).

ACTION

Approval of this item will authorize the MVC Deputy Administrator for Finance and Administration to execute agreements or contracts and any and all instruments on behalf of the MVC in the event of the concurrent vacancy, absence, disqualification or inability to serve of both the MVC Chief Administrator and the MVC Deputy Chief Administrator.

FISCAL IMPACTS

None.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act (the "Act"), P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at section 13 sets forth the powers and duties of the MVC Board and authorizes the Board to, among other things, "[d]elegate to the administrator and any other officers of the commission such powers and duties as necessary and proper to carry out the purposes of" the Act, including the power to "[e]nter into agreements or contracts, . . . [and] execute any and all instruments . . ."; and

WHEREAS, the Act is silent as to succession for the day-to-day administration of the Commission in the event of the concurrent vacancy, absence, disqualification or inability to serve of both the MVC Chief Administrator and MVC Deputy Chief Administrator;

NOW, THEREFORE, BE IT RESOLVED that the Board delegates to the position of the MVC Deputy Administrator for Finance and Administration the power to execute agreements or contracts and any and all instruments on behalf of the MVC in the event of the concurrent vacancy, absence, disqualification or inability to serve of both the MVC Chief Administrator and the MVC Deputy Chief Administrator. The delegation of authority under this resolution shall continue in force and effect until rescinded, modified or reassigned pursuant to a subsequent resolution of the Board, or until such time that the Act is amended to make such delegation unnecessary or improper, or until such time that any reorganization of the offices of the Commission no longer includes the position of MVC Deputy Administrator for Finance and Administration.

ITEM 1712-02: 2018 MEETINGS**BENEFITS**

The Motor Vehicle Security and Customer Service Act ("Act"), P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335, P. L. 2009, c. 298, and P.L. 2013, c.253, at section 16 provides for meetings of the Commission Board Members.

PURPOSE

The effect of this item is to fulfill the requirements of the Act and of the Motor Vehicle Commission Board Bylaws, Article III, that the Board adopt the annual notice of meetings.

Unless otherwise noted on the attached schedule or modified by the Chairman or Board during the year, in accordance with the Open Public Meetings Law, meetings will be held on either a Tuesday or Thursday of every other month noted on the attached Exhibit A at 2:00 p.m. in Training Room A/B, 8th Floor East Wing, Motor Vehicle Commission Headquarters, 225 East State Street, Trenton, New Jersey.

The Open Public Meetings Law, P.L. 1975, c. 231 requires that the public be given adequate notice of meetings of public bodies. Section 13 specifically provides that at least once each year, a public body must provide adequate notice of the schedule of regular meetings to be held during the year. The schedule must contain the location, to the extent known, the time and the date of each meeting.

ACTION

Adopt the Annual Notice of Meetings for all of the Board Member meetings during Calendar Year 2018, as presented in Exhibit A.

FISCAL IMPACTS

None.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c. 335, P. L. 2009, c. 298, and P.L. 2013, c.253, at section 16 provides for meetings of the Commission Board Members; and

WHEREAS, pursuant to the Open Public Meetings Law, P.L. 1975, c. 231, an annual notice of regular meetings must be disseminated; and

WHEREAS, the Annual Notice of Meetings must be prominently posted in one public place reserved for announcements of this type, transmitted to newspapers, filed with the Secretary of State, and mailed to any person who requests it; and

WHEREAS, the Motor Vehicle Commission Board Bylaws, Article III, states that the Board will adopt an annual notice of meetings;

NOW, THEREFORE, BE IT RESOLVED that the Annual Notice of Meetings for 2018 is adopted as attached in **Exhibit A**; and

BE IT FURTHER RESOLVED that the Annual Notice of Meetings for 2018 shall be disseminated in accordance with the provisions of the Open Public Meetings Law, P.L. 1975, c. 231.

Exhibit A**ANNUAL NOTICE OF MEETINGS – CALENDAR YEAR 2018****NEW JERSEY MOTOR VEHICLE COMMISSION BOARD**

In accordance with the "Open Public Meetings Law," P.L. 1975, c. 231, the above organization will hold regular meetings, open to the public, at 2:00 p.m. on those Tuesdays and Thursday of every other month as noted below for the period January 1, 2018 through December 31, 2018.

Unless otherwise noted or modified by the Chairman or Board during the year, meetings will be held at 2:00 p.m. in Training Room A/B, 8th Floor East Wing, Motor Vehicle Headquarters, 225 East State Street, Trenton, New Jersey.

Below, MVC Website users are asked to please click on a specific meeting date to see the Open Public Meetings Act's required Notice and the Proposed Agenda of formal action. Each meeting's Notice and Proposed Agenda is available at least two business days before the meeting.

February 15	(3rd Thurs.)
April 10	(2nd Tues.)
June 12	(2nd Tues.)
August 14	(2nd Tues.)
October 9	(2nd Tues.)
December 11	(2nd Tues.)

ITEM 1712-03: LICENSING SERVICE – FARM VEHICLES REGULATION

BENEFITS

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC); and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Final Adoption of the regulations to implement standards for slow moving vehicle emblems, and related statutory and registration issues.

PURPOSE

This is a Final Adoption. The effect of this item is to amend regulations to implement standards for slow moving vehicle emblems, and related statutory and registration issues.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Final Adoption, in substantially the form as attached in Exhibit A.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Final Adoption of the regulations to implement standards for slow moving vehicle emblems, and related statutory and registration issues;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Final Adoption of regulations to implement standards for slow moving vehicle emblems, and related statutory and registration issues, in substantially the form as attached in **Exhibit A**.

TRANSPORTATION

EXHIBIT A

MOTOR VEHICLE COMMISSION

Licensing Service - Farm Vehicles

Adopted Amendments: N.J.A.C. 13:21-12.1, 12.3, and 12.4

Adopted New Rules: N.J.A.C. 13:21-12.10 and 12.11

Proposed: August 7, 2017 at 49 N.J.R. 2494

Adopted: , 2017,

by: Raymond P. Martinez, Chairman and Chief Administrator, Motor Vehicle
Commission

Filed: January , 2018, as R.2018 d. , **without change.**

Authority: N.J.S.A. 39:2-3; 39:2A-2; 39:2A-21; 39:2A-28; 39:3-24, 39:3-25, 39:3-24.2;
and 39:3-24.5.

Effective Date: 2018.

Expiration Date: December 4, 2020.

Summary of Public Comments and Agency Responses:

No comments were received.

Federal Standards Statement

The adopted amendments and new rules have no comparable Federal standard that can be applied; therefore, a Federal standards analysis is not required for this rulemaking.

Full text of the adopted amendments and new rules follows: TEXT

ITEM 1712-04: AUTOCYCLES REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Final Adoption of the Enforcement Service and the Licensing Service regulations at N.J.A.C. 13:20-24, 34, 43, 13:21-5, and 8, in order to implement the provisions of P.L.2016, c.35, pertaining to autocyclus.

PURPOSE

This is a Final Adoption. The effect of this item is to amend the Enforcement Service and the Licensing Service regulations pertaining to autocyclus.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Final Adoption, in substantially the form as attached in Exhibit A.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Final Adoption of the Enforcement Service and the Licensing Service regulations at N.J.A.C. 13:20-24, 34, 43, 13:21-5, and 8, in order to implement the provisions of P.L.2016, c.35, pertaining to autocycles;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Final Adoption of the Enforcement Service and the Licensing Service regulations pertaining to autocycles, in substantially the form as attached in **Exhibit A**.

MOTOR VEHICLE COMMISSION

EXHIBIT A

ENFORCEMENT SERVICE

**Vehicle Inspection
Motorcycles
Identifying Marks
Enhanced Motor Vehicle Inspection and Maintenance Program**

LICENSING SERVICE

**Registrations
Driver Licenses**

Adopted Amendments: N.J.A.C. 13:20-7.2, 24.1, 24.21, 34.2, 43.2; 13:21-5.5, 8.14.

Proposed: August 7, 2017, at 49 N.J.R. 2492.

Adopted:

Authorized by:

Raymond P. Martinez, Chairman and Chief Administrator, Motor Vehicle Commission

Authority: N.J.S.A. 39:2A-28, 39:3-10.34

Effective Date:

Expiration Date: N.J.A.C. 13:20 expires on December 4, 2020
N.J.A.C. 13:21 expires on December 4, 2020

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

These amendments are in conformance with Federal regulations. The proposed amendments adopt and/or incorporate the relevant Federal standards set forth in the

American National Standards Institute ("ANSI") specification No. Z87.1-2003 for goggles and face shields, in the Federal Motor Vehicle Safety Standard ("FMVSS") No. 205 (49 C.F.R. 571.205) for windshields and in the FMVSS No. 218 (49 C.F.R. 571.218) for helmets, which is not changed in these proposed amendments. The proposed amendments do not cause the rules to exceed, or amend any rule that does exceed Federal standards or requirements.

Full text of the adopted amendments follows:

ITEM 1712-05: LICENSING SERVICE – NON-DRIVER ID REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Final Adoption of the regulations concerning the Licensing Service's non-driver identification cards.

PURPOSE

This is a Final Adoption. The effect of this item is to amend regulations concerning the Licensing Service's non-driver identification cards.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Final Adoption, in substantially the form as attached in Exhibit A.

FISCAL IMPACTS

Based on a non-driver identification card fee of \$24, if 6,950 homeless persons (half of the estimated 13,900 homeless persons in New Jersey) apply, the Commission would lose an estimated \$166,800 in initial application fees, and \$166,800 at each renewal.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Final Adoption of the regulations concerning the Licensing Service's non-driver identification cards;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Final Adoption of regulations concerning the Licensing Service's non-driver identification cards, in substantially the form as attached in **Exhibit A**.

MOTOR VEHICLE COMMISSION

EXHIBIT A

Licensing Services

Amendment: N.J.A.C. 13:21-16.1

New Rule: N.J.A.C. 13:21-16.5

Proposed: August 7, 2017, at 49 NJR 8(1)

Adopted:

Authorized By:

Raymond P. Martinez, Chairman,
Motor Vehicle Commission

Authority: N.J.S.A. 39:2-3, 39:2A-28, and 39:3-29.9; and P.L. 2016, c. 99.

Effective Date:

Expiration Date:

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

No comparable Federal law or regulation exists; therefore, a Federal standards analysis is not required for the adopted amendments and new rule.

Full text of the adopted amendments follows:

ITEM 1712-06: ENFORCEMENT SERVICE – AMBER LIGHTS REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including these proposed amendments of the regulations concerning flashing amber lights for manufactured farm equipment.

PURPOSE

This is a Final Adoption. The effect of this item is to amend MVC regulations regarding a new federal regulation that requires flashing amber lights on manufactured farm equipment.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Final Adoption, in substantially the form as attached in Exhibit A.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Final Adoption of the regulations concerning flashing amber lights for manufactured farm equipment;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Final Adoption of regulations concerning flashing amber lights for manufactured farm equipment, in substantially the form as attached in **Exhibit A**.

MOTOR VEHICLE COMMISSION

EXHIBIT A

Enforcement Services

Adoption with Amendments: N.J.A.C. 13:24-1.1, 4.1, and 4.2

Proposed: August 7, 2017, at 49 NJR 8(1).

Adopted:

Authorized By:

Raymond P. Martinez, Chairman,
Motor Vehicle Commission

Authority: N.J.S.A. 39:2-3, 39:2A-28, 39:3-43, 39:3-50, and 39:3-69.

Effective Date:

Expiration Date:

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

The proposed amendments do not exceed any Federal requirements or standards. Federal law (49 U.S.C. § 30111(a)) provides that the United States Secretary of Transportation shall prescribe motor vehicle safety standards. In accordance with 49 U.S.C. § 30111(a) and its predecessor (15 U.S.C. § 1392), the Secretary of Transportation has established safety standards for motor vehicles and motor vehicle equipment at 49 CFR 571.101. The proposed amendments are consistent with Federal regulations, including the requirements set forth at 49 CFR 571.108 (Federal Motor Vehicle Safety Standard No. 108), which pertains to lamps, reflective devices, and associated equipment and 49 CFR 562 (Lighting and Marking on agricultural equipment), which pertain to the requirements for lighting and marking on farm vehicles. While the

Commission is not requiring the lighting and marking on agricultural equipment (as the federal regulations already address this), the Commission does need to amend its regulations to allow for the light permit for these vehicles.

Full text of the adopted amendments follows:

ITEM 1712-07: LICENSING SERVICE REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Proposed New Rule concerning Transportation Network Companies.

PURPOSE

This is a Proposed New Rule. The effect of this item is to promulgate new regulations as part of the Commission's Licensing Service regulations.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Proposed New Rule, in substantially the form as attached in Exhibit A.

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the New Jersey Register issue for the date indicated. Should there be any discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

MVC will incur administrative costs for new business processes pertaining to permits, inspections, investigations, reviews and penalties. Those costs will be partially offset by permit fees and penalty fines.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Proposed New Rule concerning Transportation Network Companies as part of the Commission's Licensing Service regulations;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Proposed New Rule as part of the Commission's Licensing Service regulations, in substantially the form as attached in **Exhibit A**.

TRANSPORTATION

MOTOR VEHICLE COMMISSION

Transportation Network Companies

Proposed New Rules: N.J.A.C. 13:21-24

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

Authority: N.J.S.A. 39:2A-28 and 39:5H-27

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

Proposal Number: PRN 2017-_____.

Submit written comments by _____, 2018 to:

Kate Tasch, APO

Regulatory and Legislative Affairs

Motor Vehicle Commission

225 East State Street

PO Box 160

Trenton, New Jersey 08666-0160

or via e-mail to rulecomments@mvc.nj.gov

The agency proposal follows:

Summary

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

The purpose of the proposed new rules is to set forth standards for Transportation Network Company ("TNC") applicants to apply to the New Jersey Motor Vehicle Commission ("Commission") to operate in the State pursuant to N.J.S.A. 39:5H-1 et seq., including standards for granting permits as well as denying, suspending or revoking permits, and including the issuance of fines. Additionally, the new rules set forth standards for investigations, inspections and review of TNC records by the Commission.

The operation of TNCs in the State is subject to the Transportation Network Company Safety and Regulatory Act, N.J.S.A. 39:5H-1 (the "Act"). While the Act sets forth the legal requirements for the operation of TNCs in the State, including recordkeeping requirements, the proposed new regulations are authorized by the Act and are required to clarify the particulars of applying for the required permit to operate, and the Commission's oversight thereof.

Briefly, the Act sets forth TNC related requirements and restrictions, including those regarding for-hire status, the issuance and revocation of permits, fees for permits and renewals, the appointment and maintenance of an agent for service of process in the State, a memorandum of understanding between a TNC and the Department of Transportation ("DOT"), collection of fares, providing riders with pictures of drivers and license plate numbers of the personal vehicles to be used for the prearranged ride, electronic receipts, automobile insurance required to be maintained by the TNC and/or TNC drivers, disclosures by TNCs to their drivers regarding automobile insurance, an insurance company option to exclude coverage to drivers under private

passenger automobile policies, maintenance by a TNC of a digital network communication system, a TNC's adoption and disclosure of a zero tolerance policy on use of controlled dangerous substances and alcohol, a TNC's adoption and disclosure of a policy of non-discrimination, the submission of applications to TNCs by drivers, criminal background checks for drivers, driving record checks for drivers applying to TNCs, social security number traces for drivers applying to TNCs, the basis for prohibition on an applicant or driver's access to the TNC's digital network, prevention of access to the TNC's digital network by unauthorized drivers, personal vehicle inspection criteria, maintenance of electronic information by drivers and accessibility of same to law enforcement officers, a prohibition on drivers soliciting non-prearranged rides, a TNC's requirement to maintain records and make them available for inspection and investigation, and the exclusivity of the statute and any rules promulgated in relation thereto as governing TNCs and their drivers in the State.

The proposed new rules are designed to expedite and clarify the processes of applying for TNC permits, and the investigation and inspection of TNC records by the Commission.

New N.J.A.C. 13:21-24.1 sets forth definitions of terms used in the rules, including: "Commission," "Identifying marker," "Operate/Operating in the State," "Operation of a Transportation Network Company/TNC," "Permit holder," "State," and "Transportation Network Company applicant."

New N.J.A.C. 13:21-24.2 sets forth the permit application requirements, including: forms to be used, submission of a tax identification number and State sales tax certificate of authority, identification and certification of proposed authorized signatories on behalf of the TNC, identification of the TNC's corporate officers, board members, partners or members, identification of all names under which the applicant conducts and intends to conduct business, proof of insurance, proof that the TNC is registered as a business in the State, written descriptions of the

TNC's zero tolerance and non-discrimination policies, proof that the Attorney General has approved the TNC's proposed criminal history background process method, identification of the TNC's contact person for inspection, investigation and review of records, establishment and submission to the Commission of an identifying marker, and payment of an application fee.

New N.J.A.C. 13:21-24.3 sets forth grounds for denial, suspension or revocation of a TNC permit, along with fines and the issuance of cease and desist orders. Grounds for denial may be based upon nine enumerated factors, including the TNC's failure to comply with the statutory requirements of N.J.S.A. 39:5H or the proposed regulations, failure to submit a complete application, submission of an application that contains fraudulent or false information, failure to maintain or provide evidence of policies of zero tolerance and non-discrimination, failure to establish or to submit an identifying marker, failure to make payment of all fees, failure to provide application attachments, or where the applicant or an employee of the applicant was previously issued a TNC permit, which was suspended or revoked, and the terms or penalties imposed with such suspension or revocation were not satisfied. Grounds for suspension or revocation, after notice and an opportunity to request a hearing are set forth and include the TNC's failure to comply with the statutory requirements of N.J.S.A. 39:5H or the proposed regulations, and the other reasons enumerated for denial. The proposed new rule also provides that a fine or penalty may be imposed where a TNC operates without a permit, in violation of N.J.S.A. 39:5H-4.

New N.J.A.C. 13:21-24.4 sets forth the procedure for suspension or revocation of a TNC permit, including notices and hearing requests.

New N.J.A.C. 13:21-24.5 sets forth the rules regarding investigations, inspections and review by the Commission, of TNC documents and records, including a statutorily permitted penalty for a TNC's failure to cooperate or comply with an inspection, investigation or review.

New N.J.A.C. 13:21-24.6 sets forth rules for emergency inspections and disciplinary action.

New N.J.A.C. 13:21-24.6 sets forth rules regarding the submission by the TNC to the Commission of the TNC's identifying marker and the registration thereof, the issuance of the identifying marker to TNC drivers, the display by TNC drivers of the identifying marker, and the prohibition of displaying a TNC's identifying marker without the authorization of the TNC.

Social Impact

The Commission anticipates the proposed rules will have a positive social impact on the citizens of New Jersey. The rules are designed to address security related issues regarding TNCs and their drivers. It is anticipated the new rules will provide the general public, TNC users and citizens of the State with a secure TNC industry that will ultimately benefit them as well as TNCs and TNC drivers alike, by setting minimum standards for participation as a TNC in the State, which standards are accompanied by strong checks and balances.

The Commission is focused on creating a process that reduces the possibility of TNCs operating outside the law, by creating a vigorous application process that calls for driver checks, security measures to help ensure the safety of riders, and inspection and investigation processes that hold TNCs accountable to the public-at-large.

Economic Impact

The proposed new rules are expected to have an adverse economic impact on the Commission. Although TNCs will pay initial and renewal permit fees of \$25,000 each year, it is as yet unknown how many TNCs will apply for permits, and it is believed that there may be as few as a handful. Thus, it is expected that the application fees collected from TNC applicants will be insufficient to cover the costs of developing and maintaining the Commission's TNC program,

which will consist of application review, analysis and follow up as well as auditing, and enforcement responsibilities including investigation, and inspection and review of records. Commission expenses include an expected one-time system modification cost. Additional Commission personnel are also expected to be necessary and at a minimum, Commission resources will be distracted from their primary functions to fulfill the needs of the new TNC program.

Overall, the Commission anticipates that the proposed rules will have an adverse economic impact on the Commission, the extent of which will depend in part on the number of TNC applicants.

Federal Standards Statement

A Federal standards analysis is not required because the subject matter of the proposed new rules is authorized under State law and is not subject to Federal requirements or standards. There are no equivalent federal law standards concerning TNCs.

Jobs Impact

The Commission anticipates minimal to moderate job growth in relation to the proposed new rules. Several TNCs are already operating in the State and it is anticipated that they will continue to do so. It is anticipated that additional TNCs may apply to operate in the State as well, but the number of new TNCs cannot be quantified at this time. Additional TNC drivers are anticipated, but the number of new TNC drivers also cannot be quantified at this time. The proposed new rules, in accordance with the Act, impose a thorough application, vetting, follow up, auditing, inspection and enforcement process on all TNCs operating in the State, and this is expected to result in a need for additional staff and resources within the Commission.

Agriculture Industry Impact

The proposed new rules have no impact on the agriculture industry in New Jersey.

Regulatory Flexibility Analysis

It is believed that two TNCs currently operating in the State are not small businesses, and one TNC currently operating is a small business. It is further anticipated that there will or may be additional small businesses that apply to operate as TNCs in the future, as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et. seq. The proposed new rules do not themselves impose recordkeeping requirements beyond those set forth in the Act, specifically at N.J.S.A. 39:5H-25. The Act requires a transportation network company to maintain the following records: (1) individual prearranged ride records for at least six years following the date of the prearranged ride; and (2) individual records of each transportation network company driver, including, but not limited to, any records provided to the transportation network company pursuant to N.J.S.A. 39:5H-16 through 19 (driver applications, driver criminal background checks, driver driving records checks, and driver social security number traces), for at least five years after the driver terminates status as a transportation network company driver. New rule N.J.A.C. 13:21-24.6 also requires the TNC, in the case of an emergency, to make all books, records, documents, papers, reports or data relating to the operation of the TNC immediately available to the Commission for investigation or review. This provision does not require recordkeeping beyond what is required under the Act. The rules are not expected to require small businesses to engage additional professional services for compliance therewith. The records are of a kind that would be maintained in the ordinary course of business. Therefore, the rules do not impose unduly burdensome reporting or recordkeeping requirements on small businesses, nor do they necessitate initial capital and annual expenditures for reporting or recordkeeping compliance. The additional compliance requirement must be uniform for all TNC applicants in order to ensure

adherence to regulatory requirements. Accordingly, an exemption from the reporting, recordkeeping, and compliance requirements of the proposed rules is not warranted.

Housing Affordability Impact Analysis

The proposed new rules will not have any impact on affordable housing in New Jersey, and the proposed new rules will not evoke a change in the average costs associated with housing because the proposed new rules pertain solely to TNCs.

Smart Growth Development Impact Analysis

The proposed new rules will have no impact on smart growth and will not evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain solely to TNCs.

Full text of the proposal follows (additions indicated in boldface thus):

13:21-24.1 Definitions

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

"Commission" means the New Jersey Motor Vehicle Commission.

"Identifying marker" means a Transportation Network Company's ("TNC") distinctive sign, symbol, emblem, mark and/or insignia, that identifies the TNC and that is issued to each TNC driver by the TNC.

"Operate in the State" or "operating in the State," means the prearrangement of a ride by use of the TNC digital network, when the ride originates within the State or terminates within the State, beginning when a TNC driver accepts a ride requested by a TNC rider; continuing while the TNC driver transports a requesting TNC rider,

and ending when the last requesting TNC rider departs from the TNC driver's vehicle.

"Operation of a Transportation Network Company" or "operation of a TNC," means engaging in the business of operating a digital network in the State to connect a TNC rider to a TNC driver to provide a prearranged ride.

"Permit holder" means a TNC that currently holds or in the past held a permit to operate in the State.

"State" means the State of New Jersey.

"Transportation Network Company applicant" or "TNC applicant," means a TNC applying for an initial or renewal permit to operate a digital network in the State to connect a TNC rider to a TNC driver to provide a prearranged ride, and shall include all partners, officers, directors, and persons having a controlling interest in the sole proprietorship, limited liability company, corporation, or other business entity that is applying for a permit.

13:21-24.2 Application

(a) The Commission shall prescribe a form of application for a TNC to apply to the Commission for a TNC permit to operate pursuant to N.J.S.A. 39:5H-4. This application will be made available and must be used by all TNC applicants. The application must be accompanied by a certification as to the accuracy of the application and all supporting materials.

(b) At the time of initial and renewal application, the TNC applicant shall submit a copy of the Federal notice of the TNC's tax identification number and the TNC's New Jersey sales tax certificate of authority.

(c) At the time of initial and renewal application, the TNC applicant shall submit a list of all proposed authorized signatories on behalf of the TNC. The TNC applicant shall notify the Commission within 10 days of any change in that list. Every application shall include a certification by each authorized signatory that he or she has not previously held a permit issued by the chief administrator or the Commission, which was suspended or revoked and on which the terms or penalties imposed with such suspension or revocation have not been satisfied. Upon request from the chief administrator, the TNC applicant shall produce documentation demonstrating that each authorized signatory is authorized to execute documents on behalf of the TNC applicant.

(d) At the time of initial and renewal application, the TNC applicant shall submit a list of all TNC corporate officers, board members, partners, or members, as applicable, and any proposed authorized signatory. The Commission may deny,

suspend or revoke a TNC's permit if any individual identified by the TNC pursuant to subsection 13:21-24.2(c), previously held a permit, or was an officer, board member, partner, member, or authorized signatory in a TNC that held a permit, which was suspended or revoked and the terms or penalties imposed with such suspension or revocation have not been satisfied.

(e) All TNC applicants shall disclose all names under which they conduct business and all other names under which they intend to trade or to do business. The TNC shall have an ongoing duty to promptly report to the Commission any names or changes in existing names under which the TNC intends to do business.

(f) Each application must be accompanied by satisfactory proof of insurance pursuant to N.J.S.A. 39:5H-10, which shall be a certificate of insurance that displays the name, address, telephone and facsimile numbers of the insurance provider, the policy number and dates of coverage, the named and any additional insured parties or entities, and the limits of coverages provided under the policy.

(g) Each application must be accompanied by satisfactory proof that the TNC applicant is registered as a business in the State pursuant to N.J.S.A. 39:5H-4. Proof of registration shall be an original or a copy of the TNC applicant's registration certificate that displays the business name, trade name if applicable, business address, certification number, certification issuance date, and effective date. TNC applicants that are business entities established outside New Jersey must register with the Secretary of State as a foreign business pursuant to Title 14A or 42 of the New Jersey Statutes, as applicable.

(h) An application for a TNC permit shall be accompanied by a written description of the TNC's zero tolerance policy on the use of controlled dangerous substances and alcohol, as required by N.J.S.A. 39:5H-14. The written description of the TNC applicant's zero tolerance policy shall be submitted to the Commission on official letterhead of the TNC applicant.

(i) Each application for a TNC permit shall be accompanied by a written description of the TNC applicant's non-discrimination policy, as required by N.J.S.A. 39:5H-15. The TNC applicant's written description of its non-discrimination policy shall be submitted to the Commission on official letterhead of the TNC applicant.

(j) Each application for a TNC permit shall be accompanied by proof that the TNC has established an identifying marker as required by N.J.S.A. 39:5H-23(b), and attachment of the TNC's identifying marker in full color for recording by the Commission. The identifying marker shall also be submitted to the Commission by email, to the address indicated on the application, in jpeg format, within 10 days of the TNC applicant's submission of the TNC application.

(k) An application for a TNC permit submitted by a TNC registered as a business in the State or operating in the State prior to May 1, 2017, shall be accompanied by proof of approval by the Attorney General of the TNC applicant's proposed criminal history background process method as required by N.J.S.A. 39:5H-17. If proof of approval by the Attorney General is not submitted, the TNC applicant shall be required to comply with N.J.S.A. 39:5H-17e(2). An application for a TNC permit submitted by a TNC that was not registered as a business in the State or operating in the State prior to May 1, 2017, shall be accompanied by proof of approval by the Attorney General of the TNC applicant's proposed criminal history background process method as required by N.J.S.A. 39:5H-17. If proof of approval by the Attorney General is not submitted, the TNC shall be required to comply with N.J.S.A. 39:5H-17e(1).

(l) A TNC applicant shall provide the Commission with the name, address and phone number of its registered agent for service of process. The TNC applicant shall also provide the name address and phone number of a contact person who is familiar with the TNC's records and properly empowered so that he or she can arrange for inspection, investigation, and review of records consistent with N.J.S.A. 39:5H-25.

(m) Payment of the application fee shall be accepted in the following forms only: business check, certified bank check or money order, and shall be submitted with the TNC's application.

(n) Upon approval of an application by a TNC applicant, which includes payment of all fees and presentation of all required proofs, an initial or renewal permit shall be issued by the Commission. Each initial permit and each renewal permit shall be effective for one year from the date of issuance. No later than 60 days before expiration a renewal application, which includes payment of all fees and presentation of all proofs required by this section, shall be submitted for each permit sought to be renewed.

13:21-24.3 Grounds for denial, suspension or revocation of Transportation Network Company permit; fines; issuance of a cease and desist order

- (a) The chief administrator may deny an application for a permit or a renewal, permit, or issue a cease and desist order for:
- i. failure to comply with the requirements of N.J.S.A. 39:5H;
 - ii. failure to comply with these regulations;
 - iii. failure to submit a complete application;

- iv. submission of an application that contains fraudulent or false information;
- v. failure to establish or maintain or provide the Commission with evidence of the policies required pursuant to N.J.S.A. 39:5H;
- vi. failure to establish and submit an identifying marker as required by N.J.S.A. 39:5H-23(b);
- vii. failure to make payment of all fees;
- viii. failure to submit all required application attachments; or
- ix. if the TNC applicant or any officer, board member, partner, member, or authorized signatory of the TNC applicant was previously issued a permit, or was an officer, board member, partner, member, or authorized signatory in a TNC that was previously issued a permit, that was suspended or revoked and the terms or penalties imposed with such suspension or revocation were not satisfied.

(b) The chief administrator may suspend or revoke a permit, after notice and an opportunity to request a hearing, for an applicant's failure to comply with the requirements of N.J.S.A. 39:5H, or for failure to comply with these regulations, or for any of the reasons for which an application can be denied as set forth in 13:21-24.3(a).

(c) The chief administrator may impose a penalty or fine in accordance with N.J.S.A. 39:5H-4, of \$500 per day, against any TNC that operates without a permit in violation of the Act.

13:21-24.4 Suspension and revocation proceedings; penalties; hearings

(a) Except as provided in N.J.A.C. 13:21-24.3(a) and -24.6, prior to revoking or suspending a permit, or imposing any penalty, the chief administrator will send a Notice of Proposed Action to the permit holder's registered agent or contact person identified by the TNC pursuant to N.J.A.C. 13:21:24.2(m).

(b) Within 25 days of the date of the Notice, the permit holder or TNC applicant may request a hearing concerning the proposed administrative 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 permit holder or TNC applicant intends to demonstrate.

(d) If the chief administrator finds that there exist one or more genuine issues of material fact, the matter will be referred for a hearing at the Office of Administrative Law. The hearing shall be conducted 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 referring the matter for a 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 if the permit holder or TNC applicant does not respond to the Notice of Proposed Action within 25 days from the date of the notice, the chief administrator shall issue a Final Order appealable only to the Appellate Division of the Superior Court. (g) Nothing in this subchapter shall prevent the chief administrator from seeking to resolve any proposed administrative matters through informal means at any stage of the proposed administrative matters described in this section.

13:21-24.5 Investigations; inspections; review

(a) All requests for inspection, investigation or review pursuant to N.J.S.A. 39:5H-25, and all statutory notices required under the Transportation Network Company Safety and Regulatory Act, P.L. 2017, c. 26, and these regulations, shall be mailed to the TNC registered agent or the contact person identified in the TCN's application pursuant to N.J.A.C. 13:21-24.2. After notice, the TNC shall immediately notify the Commission of the location of all information and material sought by the Commission. The Commission shall thereafter contact the TNC to determine a mutually agreeable location for the inspection, investigation or review to occur within 14 days of the request.

(b) When an inspection or investigation is to be conducted pursuant to N.J.S.A. 39:5H-25(c), a request for extension of an inspection or investigation shall be in writing and must be received by the Commission at least two business days prior to the scheduled inspection or investigation. A request for extension must be based on the imposition of an undue burden on the TNC, and must be accompanied by all supporting evidence.

(c) The chief administrator or his or her designee shall have the authority to enter onto the premises where any TNC operates or maintains records for the purpose of inspecting records or conducting an investigation or review of the TNC in accordance with N.J.S.A. 39:5H-25. The TNC shall require all employees and drivers to cooperate with MVC investigators.

(d) Pursuant to N.J.S.A. 39:5H-25, if a TNC fails to cooperate in or comply with an inspection, investigation or review, or to appear at a hearing, the chief administrator may suspend or revoke, or decline to issue or to renew, the TNC's permit, and may in addition, impose a fine of \$500 per day, and a penalty of temporary suspension, until the failure is remedied to the satisfaction of the chief administrator.

13:21-24.6 Emergency inspection and disciplinary action

(a) In the event that the chief administrator considers there to be an emergent situation in which ongoing activities of a TNC or a TNC driver may constitute a danger or risk to individual or public health and safety, the Commission may issue an immediate suspension of the TNC's permit and may require a TNC to immediately make all books, records, documents, papers, reports or data relating to the operation of the TNC available to the Commission for inspection, investigation or review.

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

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

(d) The TNC will be afforded an opportunity to request a hearing concerning the proposed final agency action pursuant to N.J.A.C. 13:21-24.4.

13:21-24.7 Display of identifying marker

(a) A TNC shall issue an identifying marker to every TNC driver, which shall be displayed by the TNC driver in accordance with N.J.S.A. 39:5H-23(b), on the driver's personal vehicle when the driver logs on to the TNC's digital network as a driver or provides a prearranged ride.

(b) The identifying marker shall be sufficient to allow a passenger, government official, or member of the public to identify the TNC with which the vehicle is affiliated, and shall be of such size, shape, and color or color-contrast as to be readily identifiable during daylight hours from a distance of 50 feet while the vehicle is not in motion and shall be reflective, illuminated, or otherwise patently visible in darkness.

(c) The TNC's identifying marker may be removable, but no person shall operate their personal vehicle as a TNC driver without displaying the TNC identifying marker in accordance with this subsection.

(d) No person shall operate a vehicle bearing a TNC's identifying marker issued in accordance with this subsection without the authorization of the TNC issuing the identifying marker.

ITEM 1712-08: MOTORIZED BICYCLES REGULATIONS**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this proposed readoption without amendment of the regulations that set out the requirements for safe operation of motorized bicycles.

PURPOSE

This is a proposed readoption without amendment. The effect of this item is to readopt N.J.A.C. 13:25 concerning the requirements for safe operation of motorized bicycles.

ACTION

Approval of this item will authorize the Chairman to file the Motorized Bicycles regulations with the Office of Administrative Law (OAL) as a Final Rule, in substantially the form as attached in Exhibit A.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this proposed readoption without amendment of the regulations that set out the requirements for safe operation of motorized bicycles;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the this proposed readoption without amendment of the regulations that set out the requirements for safe operation of motorized bicycles, in substantially the form as attached in **Exhibit A**.

MOTOR VEHICLE COMMISSION

EXHIBIT A

Notice of Readoption

Motorized Bicycles

Readoption: N.J.A.C. 13:25

Authority: N.J.S.A. 39:2-3, 39:3-10a, 39:4-14.3, 39:4-14.3a et seq. and 39:5-30.

Authorized By _____
Raymond P. Martinez, Chairman and Chief Administrator
Motor Vehicle Commission

Effective Date: _____, 2018.

New Expiration Date: _____, 2018.

Take notice that pursuant to the provisions of Executive Order No. 66 (1978) and N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 13:25 will expire on April 4, 2018. The rules set out the requirements for safe operation of motorized bicycles. The Motor Vehicle Commission has reviewed these rules and has determined that the rules should be readopted without amendment. The rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1c(1), these rules are readopted and shall continue in effect for a seven-year period.

ITEM 1712-09: ZONE OF RATE FREEDOM (Z.O.R.F.) REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at section 98 assigns to MVC the duty to implement the Zone Of Rate Freedom (Z.O.R.F.) law found at N.J.S.A. 48:4-2.20 to 2.25. In 1995, the New Jersey Department of Transportation (NJDOT) had assigned this duty to the former Division of Motor Vehicles (DMV) when DMV was transferred to NJDOT, and MVC has inherited it.

PURPOSE

The effect of this proposed rule for ZORF for 2018 is to fulfill the statutory requirement that MVC set a percentage limit or "Zone" within which private bus companies are *free* to adjust their *rates* (or fares or charges) for in-state bus routes. Under P.L. 1983, c.517, private bus companies are free to make these adjustments. Of over 100 such companies, typically up to five exercise that freedom annually and notify MVC, which confirms any adjustment is within the ZORF Zone. The attached proposal for 2018 has a 10% increase and 10% decrease.

ACTION

Approval of this item will authorize the Chairman to file the 2018 ZORF Regulation with the Office of Administrative Law (OAL) as a Proposed Rule. The rule states in relevant part:

"16:53d-1.1 General Provisions.

Any regular route autobus carrier operating within the State which seeks to revise its rates, fares or charges in effect as of the time of the promulgation of this rule shall not be required to conform with N.J.A.C. 16:51-3.10... provided the increase or decrease in the rate, fare or charge, or the aggregate of increases and decreases in any single rate, fare or charge is not more than the maximum percentage increase (10 percent for 2018) or decrease (10 percent for 2018), upgraded to the nearest \$.05."

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a new policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the NJ Register issue for the date indicated. Should there be any discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

MVC does not receive any proceeds from any rate, fare or charge adjustments. It is fulfilling a duty assigned to DMV in 1995. For illustrative purposes, a 10% increase on a \$1.65 fare would result in a \$.20 fare adjustment to \$1.85, and a 10% decrease on a \$1.25 fare would result in a \$.15 fare adjustment to \$1.10.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c. 335 and by P. L. 2009, Chapter 298, at section 98 assigns to the Motor Vehicle Commission the duty to implement the Zone Of Rate Freedom (Z.O.R.F.) law found at N.J.S.A. 48:4-2.20 to 2.25; and

WHEREAS, in 1995, the New Jersey Department of Transportation (NJDOT) had assigned this duty to the former Division of Motor Vehicles (DMV) when DMV was transferred to NJDOT; and

WHEREAS, the Zone of Rate Freedom law authorizes limits or zones within which private bus companies are free to adjust their in-state bus route rates, fares or charges;

NOW, THEREFORE BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the proposal of the Zone of Rate Freedom regulation for 2018, in substantially the form as attached in **Exhibit A**.

TRANSPORTATION

EXHIBIT A

MOTOR VEHICLE COMMISSION

REGULATORY AFFAIRS (COMMERCIAL PASSENGER TRANSPORTATION)

Zone of Rate Freedom

Proposed Amendment: N.J.A.C. 16:53D-1.1

Authorized By: _____

Raymond P. Martinez, Chairman,
Motor Vehicle Commission

Authority: N.J.S.A. 27:1A-5, 27:1A-6, 48:2-21, and 48:4-2.20 through 2.25

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

Proposal Number:

Submit written comments by _____, 2017 to:

Kate Tasch, APO
Attention: Regulatory and Legislative Affairs
New Jersey Motor Vehicle Commission
225 East State Street
PO Box 162
Trenton, NJ 08666-0162
or via e-mail to rulecomments@mvc.nj.gov

The agency proposal follows:

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

The Motor Vehicle Commission (hereinafter "the Commission") proposes to amend the provisions of N.J.A.C. 16:53D, Zone of Rate Freedom.

The Commission is statutorily obligated to establish for each calendar year a Zone of Rate Freedom (ZORF) for regular route private autobus carriers providing service within the State. See N.J.S.A. 48:4-2.21, as amended by P.L. 2003, c. 13, §98. See also N.J.S.A. 48:4-2.20 through 2.25. The ZORF is the maximum permitted percentage increase adjustment and the maximum permitted percentage decrease adjustment that a private autobus carrier may make to its rate, fare or charge for intrastate regular route service without first having to petition the Commission for approval. The maximum ZORF percentage amounts for increases and decreases take into account the varying fares currently charged by intrastate regular route private autobus operators. In accordance with N.J.S.A. 48:4-2.21, relevant factors that must be considered by the Commission in setting the ZORF percentages include, but are not limited to, the availability of alternative means of transportation; fluctuations in operational bus costs; and rates, fares, and charges existing in the bus industry and in other related transportation services, as well as the interests of the users of bus service in this State.

As long as the autobus carrier's fare adjustments remain within the designated ZORF percentage range, the carrier need only give notice to the Commission and the bus-riding public of the rate, fare, or charge adjustment. However, should a regular route private autobus carrier need a percentage fare

adjustment greater than that allowed by the ZORF, the carrier will be required to comply with the petitioning procedures set forth in N.J.S.A. 48:2-21 and 48:2-21.1.

The ZORF percentage limitations set forth in N.J.A.C. 16:53D-1.1 apply only to regular route private autobus carriers. N.J.S.A. 48:4-2.25 authorizes the Commission to exempt rates, fares and charges for regular route in the nature of special (casino bus operations), charter, and special autobus operations from this regulation, so long as carriers engaged in such operations file annual tariffs with the Commission.

N.J.A.C. 16:53D-1.1 consists of general provisions and standards that regular route private autobus carriers must follow, and specifies the maximum ZORF percentages for rate, fare, or charge increases and decreases for the calendar year and exempts student, senior, transfer, interline and other unique rates, fares or charges for a regular route from the requirements of this chapter provided they remain less than the current or adjusted regular route fare applicable to the route.

Social Impact

The proposed amendments have a positive social impact in that they enable private autobus carriers to increase or decrease regular route fares marginally within established limits without having to undertake costly and time-consuming formal administrative proceedings. Since the ZORF fare adjustment mechanism allows autobus carriers to effectuate minor changes to their regular route fares without the necessity of making a complex, formal tariff filing with the Commission,

the ZORF fare adjustment procedures result in cost and time savings for both the regulated industry and the Commission. The ZORF-controlled fare increases also encourage autobus carriers to invest in new buses and in the servicing and maintenance of their existing fleet of buses, while at the same time protecting the public from unreasonable fare increases. The ZORF percentage limit for fare decreases discourages predatory fare-reducing tactics designed to reduce or eliminate competition. In sum, the ZORF fare adjustment mechanism has a positive impact upon the autobus industry and the Commission while also benefiting the public interest.

Economic Impact

The proposed amendments offer privately owned autobus companies a measure of flexibility in effectuating marginal adjustments to their regular route fares. Such companies can avoid the rate increase petition process set forth in N.J.S.A. 48:2-21 and 48:2-21.1, which is costly and time consuming, provided the fare adjustment that is sought remains within the percentage limits set forth in the ZORF rules. Although the ZORF provides a mechanism for regular route private autobus carriers to increase rates, fares, or charges, any adverse impact of such fare increases upon the public will be mitigated by the percentage limitations set forth in N.J.A.C. 16:53D-1.1. The ZORF percentage limitations are intended to ensure that only reasonable rate, fare, or charge increases will occur. The exemption of charter, casino, and special bus operations from the ZORF rules will have no adverse economic impact on the public because the competitive nature

of these markets due in large part to their elastic demand, protects consumers from unreasonable rate, fare, or charge adjustments.

Federal Standards Statement

A Federal standards analysis is not required because the rules that are the subject of this proposed readoption are dictated by State statutes and are not subject to Federal requirements or standards.

Jobs Impact

Although the ZORF rules could theoretically have an impact upon the jobs of private autobus carrier employees and the bus-riding public, no specific number of jobs generated or lost as a result of these rules can be calculated. With limits on fare increases, private autobus carriers could conceivably adjust their employee levels to address financial constraints. Similarly, the ability of commuters to travel to their job sites could be affected by any changes made by such autobus carriers in bus routes or service to certain areas caused by shifts in employee staffing levels. However, it should be noted that rate change protection for both autobus carriers and commuters exists in other statutes and regulations that govern rate changes outside the ZORF limits.

Agriculture Industry Impact

The proposed amendments will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed amendments affect private autobus carriers that are small businesses as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

Regular route private autobus carriers that seek ZORF fare adjustments are required to comply with N.J.A.C. 16:53D-1.2. That chapter requires that such carriers notify the Commission of a ZORF fare adjustment by filing a complete schedule of all current fares and all fares that will be adjusted. The carrier must also provide public notice of the ZORF fare adjustment in accordance with N.J.A.C. 16:53D-1.2 herein and must file with the Commission an affidavit confirming its compliance with said public notice requirement.

These regulatory mandates constitute reporting, recordkeeping, and compliance requirements as defined in the Regulatory Flexibility Act. However, they affect only those private autobus carriers that choose to avail themselves of the ZORF fare adjustment procedure. The Commission believes that these reporting, recordkeeping, and compliance requirements are minimal and impose no burden on regular route private autobus carriers. Nor are professional services, such as those provided by engineers, attorneys or accountants, required for compliance with the reporting and recordkeeping provisions of this rule. In fact, the ZORF fare adjustment mechanism is substantially less burdensome than the rate increase petition process to which autobus carriers are subject under N.J.S.A. 48:2-21 and 48:2-21.1.

Smart Growth Impact

It is not anticipated that the proposed amendments will have any impact on the achievement of smart growth and the implementation of the State Development and Redevelopment Plan within the meaning of Executive Order No. 4 (2002).

Housing Affordability Impact

It is not anticipated that the proposed amendments will have any impact on housing costs because the scope of the regulation, inasmuch as it applies only to procedures for amending regular route autobus fares, is minimal, and there is an extreme unlikelihood that it would evoke a change in the average costs associated with housing.

Smart Growth Development Impact

It is anticipated that the proposed readoption will have only an insignificant impact, if any, on any new construction. Moreover, because the rule applies only to the procedures for adjustment of autobus fares, it does not apply to housing units at all. Thus, the scope of the regulation is minimal and there is an extreme unlikelihood that the readoption will evoke a change in the housing production within Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan.

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

16:53D-1.1 General provisions

(a) Any regular route autobus carrier operating within the State, which carrier seeks to revise its rates, fares or charges in effect as of the time of the promulgation of this rule, shall not be required to conform with N.J.A.C. 16:51-3.10, Tariff filings that do not propose increases in charges to customers, or N.J.A.C. 16:51-3.11, Tariff petitions that propose increases in charges to customers, provided the increase or decrease in the rate, fare or charge, or the aggregate of increases and decreases in any single rate, fare or charge is not more than the maximum percentage increase (10 percent for [2017] **2018**) or decrease (10 percent for [2017] **2018**), upgraded to the nearest \$.05.

1. For illustrative purposes, the following chart sets forth the [2017] **2018** percentage maximum for increases to particular rates, fares or charges and the resultant amount as upgraded to the nearest \$.05:

<u>Present Fare</u>	<u>Percent of Increase</u>	<u>Increase Upgraded</u> <u>To Nearest \$.05</u>
\$ 2.00 or less	10.0%	\$.20
\$ 2.05-\$ 2.50	10.0%	\$.25
\$ 2.55 upward	10.0%	\$.30+

2. For illustrative purposes, the following chart sets forth the [2017]2018 percentage maximum for decreases to particular rates, fares or charges and the resultant amount as upgraded to the nearest \$.05:

<u>Present Fare</u>	<u>Percent of</u>	<u>Decrease Upgraded</u>
	<u>Decrease</u>	<u>To Nearest \$.05</u>
\$.50 or less	10%	\$.05
\$.55 to \$ 1.00	10%	\$.10
\$ 1.05 upward	10%	\$.15+

3. Except as may be provided in the Certificate of Public Convenience and Necessity, changes to student, senior, transfer, interline and other unique rates, fares or charges for a regular route shall not be subject to the requirements of this chapter, provided they remain less than the current or adjusted regular route fare applicable to the route.

16:53D-1.2 Requirements

(a) No change.

16:53D-1.3 Exemptions

No change.



New Jersey Motor Vehicle Commission

P.O. Box 160
Trenton, New Jersey 08666-0160

STATE OF NEW JERSEY

To: Raymond P. Martinez, Chairman
 CC: MVC Board Members
 From: Laura Hahn, Legislative Liaison
 Date: December 7, 2017
 Re: Legislative Report

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Raymond P. Martinez
Chairman and Chief Administrator

This Legislative Report provides a summary of legislative activity since the October 2017 Motor Vehicle Commission (MVC) Board meeting.

Recent Action on Bills of Note

A-1540 (Peterson R23; Moriarty D4; Tucker D28; Danielsen D17 / Connors R9)

Authorizes special Support Our Veterans license plate with proceeds supporting New Jersey homeless veteran's centers.

- This bill authorizes a special Support Our Veterans license plate with the proceeds supporting New Jersey homeless veterans' centers, Veterans Haven, North and South. The design of the license plate would be chosen by the Chief Administrator of the New Jersey Motor Vehicle Commission in consultation with the Division of Veterans' Services in the New Jersey Department of Military and Veterans' Affairs (NJDMAVA).
- There is a \$50 initial fee, in addition to the registration fees required by law, with a \$10 annual fee, in addition to the renewal fees required by law. The additional fees, after the deduction of the cost of producing and publicizing the plates, will be deposited into a special non-lapsing fund known as the "Support Our Veterans License Plate Fund." The proceeds of the fund are to be annually appropriated to the Veterans Haven Council within the (NJDMAVA).
- The bill provides that no State or other public funds may be used by the commission for the initial cost of producing, issuing, and publicizing the availability of Support Our Veterans license plates or any computer programming changes which may be necessary to implement the Support Our Veterans license plate program. The bill also requires that the Veterans Haven Council or other individual or entity designated by the Veterans Haven Council, contribute monies in an amount to be determined by the chief administrator, not to exceed a total of \$25,000, to be used to offset the initial costs incurred by the commission for producing, issuing, and publicizing the availability of Support Our Veterans license plates, and any computer programming which may be necessary to implement the program.

- The bill prohibits the commission from designing, producing, issuing, or publicizing the availability of Support Our Veterans license plates, or making any necessary programming changes, until: (1) the Veterans Haven Council, or its designee, has provided the commission with the money necessary to offset the initial costs incurred by the commission in establishing the Support Our Veterans license plate program; and (2) the Veterans Haven Council, or its designee, has provided the commission with a minimum of 500 completed applications for Support Our Veterans license plates, upon the availability for purchase of those plates.

06/22/17: A-1540 -- Passed in Assembly 76-0-0; Received in Senate and referred to Senate Military and Veterans' Affairs Committee

11/30/17: Both bills are scheduled for the Senate Military and Veterans Affairs Committee

S-654/A-3490 (Turner D15; Ruiz D29 / Spencer D29; Muoio D15)

Establishes restricted use driver's license endorsement for certain motor vehicle offenders with suspended license.

- The bill authorizes a driver with a restricted use driver's license endorsement to operate a motor vehicle exclusively between the driver's residence and place of employment; an accredited educational institution; a mandated treatment program; a health care facility; or a child care facility.
- Drivers may apply for the endorsement if their driver's licenses have been suspended or revoked for failure to pay motor vehicle surcharges and they agree to a payment plan approved by the chief administrator, or for an accumulation of motor vehicle penalty points, but only if they attend a driver improvement program. A person who has been convicted of drunk driving or refusing to take a breathalyzer test or has been assessed surcharges resulting from those convictions would not be eligible for an endorsement under the bill.
- The bill requires the Chief Administrator of the New Jersey Motor Vehicle Commission to develop and issue an application for the restricted use driver's license endorsement and to promptly issue the endorsement to applicants. If an applicant for an endorsement provides false information on the application, the applicant's driver's license is to be suspended or revoked for an additional year. The chief administrator may charge a fee of up to \$25 for the endorsement. The endorsement is to expire when the person's driver's license is restored following the period of suspension or revocation.
- The bill also establishes penalties for operating a motor vehicle between points other than those authorized by the endorsement. The endorsement is to be immediately forfeited and the driver is subject to a fine of not less than \$500 or more than \$1,000; community service for a period of 30 days; and an additional one year driver's license suspension or revocation. A driver who is convicted of causing an accident resulting in personal injury or death to another person while driving between unauthorized points is subject to a fine of between \$1,000 and \$5,000; community service for a period of 30 days; and an additional two years driver's license suspension or revocation. A driver who is convicted of drunk driving or refusing to take a breathalyzer while operating a motor vehicle between unauthorized points is subject to a fine of between \$1,000 and \$5,000 and an additional five years driver's license suspension or revocation.

- Under the bill, a person whose driver's license is suspended or revoked after or within 10 years of the effective date of the bill would be eligible for an endorsement.

08/01/16: S-654 - Passed in Senate 23-15

11/30/16: Both bills are scheduled for the Assembly Law and Public Safety Committee

A-4219/S-3282 (O'Scanlon R13; Benson D14; Zwicker D16 / Kyrillos R13; Vitale D19)

Allows minors 14 years of age or older to authorize organ donation; requires MVC to provide organ donation registration to certain minors.

- This bill establishes the age of 14 as the age at which a person may make an anatomical gift in New Jersey. An anatomical gift made by a minor would remain valid when the minor reaches 18 years of age. Current law requires the New Jersey Motor Vehicle Commission (MVC) to provide every adult applicant of a new or renewal driver's license or non-driver photo identification card the opportunity to designate that the person will donate all or any organs or tissues for the purposes of transplantation or therapy. In order to extend the ability to designate organ donor status to younger state residents, this bill requires the MVC to also provide the opportunity to donate to:
 - (1) the holder of an examination permit or a motorcycle-only examination permit, who may be as young as 17 years old;
 - (2) the holder of a special learner's permit, who may be as young as 16 years old;
 - (3) the holder of a moped license, who may be as young as 15 years old; and
 - (4) all holders of non-driver photo identification cards, who may be as young as 14 years old.

- Under the provisions of the "Revised Uniform Anatomical Gift Act," in the event of the death of an unemancipated minor, a parent is authorized to revoke the anatomical gift of her or his child. This bill does not alter the rights currently afforded to parents under current law. Additionally, the chief administrator of the MVC is currently authorized to provide certain organ procurement organizations with access to donor information, such as each recorded donor's name, address, date of birth, gender, color of eyes, height, and driver's license number. The bill expands the list of accessible information to also include the date a person registered as a donor, and date of removal from the registry, if applicable.

03/23/17: A-4219 - Passed in Assembly 74-0-0

12/04/17: Both bills are scheduled for the Senate Transportation Committee

A-4573/S-2966 (Coughlin D19; Wisniewski D19; Pinkin D18 / Vitale D19; Sacco D32)

Requires the establishment of a national motor vehicle emergency contact registry.

- This bill requires motor vehicle manufacturers that are engaged in the business of distributing vehicles in this State, in conjunction with law enforcement agencies and the National Law Enforcement Telecommunications System, to establish the "National Motor Vehicle Emergency Contact Registry" (NMVECR). The registry is to be capable of storing emergency contact information to be accessible by law enforcement officers. Under the bill, every new motor vehicle dealer and leasing dealer is required to allow a purchaser or lessee of a new motor vehicle to

voluntarily register at the point of sale an emergency contact to be stored in the NMVECR. The information is to be available for the exclusive use of law enforcement and is not to be considered a public record.

03/16/17: A-4573 - Passed in Assembly 62-1-11

12/04/17: Both bills are scheduled for the Senate Budget and Appropriations Committee