

This experiment could begin on or after June 12, 2017, and continue for a maximum of 270 days from that date, unless otherwise terminated by the Division or any of the participating casino licensees prior to that time, pursuant to the terms and conditions of the experiment.

Should the temporary amendments and new rules prove successful in the judgment of the Division, the Division will propose it for final adoption in accordance with the public notice and comment requirements of the Administrative Procedure Act and N.J.A.C. 1:30.

## (a)

**DIVISION OF GAMING ENFORCEMENT****Rules of the Game****Table Games****Progressive Wager in Three Card Poker****Temporary Adoption of New Rule: N.J.A.C. 13:69F-20.12B****Temporary Amendments: N.J.A.C. 13:69F-20.1, 20.7, 20.8, 20.9, and 20.10**

Authority: N.J.S.A. 5:12-69.a, 69.e, 70.a(7), 76.g, and 100.e.

**Take notice** that the Division of Gaming Enforcement shall, pursuant to N.J.S.A. 5:12-69.e, adopt a temporary new rule and temporary amendments regarding the Rules of the Games to authorize a new progressive wager in the game of Three Card Poker.

The experiment for the new progressive wager will be conducted in accordance with temporary new rule and temporary amendments, which shall be available in each participating casino and shall also be available from the Division upon request.

This experiment could begin on or after June 12, 2017, and continue for a maximum of 270 days from that date, unless otherwise terminated by the Division or any of the participating casino licensees prior to that time, pursuant to the terms and conditions of the experiment.

Should the temporary amendments and new rule prove successful in the judgment of the Division, the Division will propose it for final adoption in accordance with the public notice and comment requirements of the Administrative Procedure Act and N.J.A.C. 1:30.

**TRANSPORTATION**

## (b)

**MOTOR VEHICLE COMMISSION****Licensing Service****New Jersey Licensed Motor Vehicle Dealers****Adopted Amendments: N.J.A.C. 13:21-15**

Proposed: June 20, 2016, at 48 N.J.R. 1052(a).

Adopted: May 1, 2017, by the Motor Vehicle Commission, Raymond P. Martinez, Chairman.

Filed: May 1, 2017, as R.2017 d.112, **with non-substantial changes** not requiring additional public notice or comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 39:2A-21, 39:2A-28, 39:10-4, 39:10-19, and 39:10-20.

Effective Date: June 5, 2017.

Expiration Date: December 4, 2020.

**Summary of Public Comments and Agency Responses:**

The written comments received by the Motor Vehicle Commission (MVC) regarding its June 20, 2016 notice of proposal at 48 N.J.R. 1052(a) are available for inspection at the Office of the Chief Administrator, Motor Vehicle Commission, 225 East State Street, 9th Floor, Trenton, New Jersey. The following individuals submitted timely written comments to the Commission regarding that notice of proposal:

1. A. Matthew Boxer, Esq., Lowenstein Sandler, L.L.P.

2. Jonathan Chang, Esq., Tesla Motors, Inc.

3. Thomas G. Russomano, Esq., Schiller & Pittenger, P.C.

The following individual submitted written comments out of time, which were not considered:

4. Anthony E. Bush, Esq., Eckert Seamans Cherin & Mellott, L.L.C.

The timely submitted comments are summarized below, followed by the Commission's responses thereto. The numbers in parentheses after each comment correspond to the commenter numbers above to indicate the source of the comment.

1. COMMENT: The commenter stated that the exemption for zero emission vehicles (ZEVs) in the proposed amendment for initial franchise applications (N.J.A.C. 13:21-15.2(m)) is absent from the provision for renewal applications (N.J.A.C. 13:21-15.2(m)1). The commenter expressed concern that the provision could be interpreted to exclude manufacturers of ZEVs from the exemption for renewal applications. The commenter suggested that N.J.A.C. 13:21-15.2(m)1 be amended to include specific reference to the exemption for both initial and renewal franchise applications for manufacturers of ZEVs that sell directly to consumers. (2)

RESPONSE: The Commission's intention is that the exemption for manufacturers of ZEVs applies to both initial and renewal franchise applications. Accordingly, the Commission will change the rule on adoption in order to clarify this position.

2. COMMENT: The commenter stated that the MVC does not have the statutory authority to promulgate the proposed provisions requiring that new construction or additions to existing structures meet the square footage and display space requirements of N.J.A.C. 13:21-15.4(a)4; requiring that an authorized signatory shall not simultaneously represent more than one licensee at any given time during business hours in N.J.A.C. 13:21-15.4(c)2; and requiring compliance with building code and firewall regulations in N.J.A.C. 13:21-15.4(d). The commenter stated that N.J.S.A. 39:10-3, 39:10-4, and 39:10-19 did not authorize the Motor Vehicle Commission to determine what an established place of business is or how a dealer is to conduct business, but only to enact rules to regulate and to control titles to motor vehicles with fraudulent titles. The commenter also claimed that the Motor Vehicle Commission is not a State regulatory board enacted under the "licensing law," N.J.S.A. 45:1-2.1 et seq., to educate and regulate the practice of licensed individuals such as cosmetologists, dentists, optometrists, and physicians; nevertheless, the proposed regulations are more onerous than those proposed by any of the regulatory boards; motor vehicle dealers are different from the other regulated businesses and are dealt with differently by the licensing boards; and if the Commission's authority were as broad as other regulatory boards, the regulations would have been included in the "licensing law." (3)

RESPONSE: The commenter is incorrect in his understanding of the Commission's statutory authority. N.J.S.A. 39:10-4 authorizes the Commission to make rules and regulations necessary for the enforcement of the chapter, of which N.J.S.A. 39:10-19, requiring the establishment of a place of business, is a part. The Commission's statutory authority is further made clear by the provision in N.J.S.A. 39:10-20, giving the Commission the authority to adopt rules and regulations implementing the provisions for dealer licensing and imposing fines for violations of the rules. Clarifying what constitutes an established place of business is clearly necessary for the enforcement of that statute. Rules governing a dealer's established place of business have been in place without Legislative interference for several decades, persuasive evidence of the Legislature's intent. See, for example, *Cedar Cove Inc. v. Stanzone*, 122 N.J. 202, 212-13 (1991); *Matturri v. Bd. of Trs. of the Judicial Ret. Sys.*, 173 N.J. 368, 382 (2002).

Additionally, there is no basis to conclude that the Legislature would have included motor vehicle dealers in the "licensing law" if it had intended the Commission to regulate motor vehicle dealers. Further, this rule is not more onerous than that concerning real estate brokers (see, for example, N.J.A.C. 11:5-4.1 through 4.5), who, in fact, maintain no inventory on the premises and yet are required to spend more time at their licensed places of business than are motor vehicle dealers. Moreover, many State agencies, from the Department of Agriculture (see, for example, N.J.S.A. 4:9-21.6) to the Department of Environmental Protection (see, for example, N.J.S.A. 58:11-64 et seq.)

to the Department of the Treasury (see, for example, N.J.S.A. 5:12-80) issue licenses and regulate the licensed population to the extent necessary to implement the legislative intent, as does this chapter.

3. COMMENT: The commenter stated the proposed amendment to N.J.A.C. 13:21-15.4(a)4 imposes a retroactive limitation on the existing clause, which exempts dealer premises from square footage and display space requirements for those dealers licensed prior to March 6, 2006. The commenter contends that this notice of proposal is prejudicial to dealers who constructed facilities relying on the existing regulation. The commenter contends that the proposed amendment is unconstitutional because it does not bear a real and substantial relation to the general welfare; it imposes an arbitrary restriction on the use of land and interferes with property rights; and it interferes with the conduct of business. The commenter stated that the proposed amendment violates the guidelines of "Common Sense Principles" established by Executive Order No. 2 (2010). The commenter requested clarification on the authority of the MVC to retroactively limit the grandfather clause; the authority of the MVC to curtail licensees' personal rights, including the manner in which they conduct business; the authority of the MVC to curtail licensees' property rights, including the manner in which they are to use their property; and how the proposed requirements are reasonably adapted to meet the MVC's requirements. (3)

RESPONSE: The MVC disagrees that the amendments retroactively limit the existing grandfather clause, exempting the square footage and display space requirements for those dealers licensed prior to March 6, 2006. The square footage and display space requirements apply to new construction or additions extending beyond the existing perimeter of the building, which codifies the existing policy of the MVC since the 2006 amendments were adopted. Moreover, the exemption applies only to dealers who are already licensed, and the premises that were approved as part of the dealer license.

Additionally, and upon further review of the proposed amendment, the MVC has determined that the amendment is not necessary because the existing rule applies only to dealers licensed "prior to March 6, 2006," and to the place of business existing prior to March 6, 2006. Thus, for any dealer applying for a license on or after March 6, 2006, at that location or in any new construction or addition to that location, would have to comply with the rules in effect on and after March 6, 2006. Accordingly, the proposed amendment is not necessary and may, in fact, cause confusion. Consequently, the MVC will change the rule on adoption by removing this amendment.

4. COMMENT: Two commenters stated that the provision requiring that an authorized signatory shall not simultaneously represent more than one licensee at any given time during business hours (N.J.A.C. 13:21-15.4(c)2) will impose a hardship on a licensee's ability to conduct business off premises. A commenter notes that a small dealer, who is often a one-person operation, cannot be present for the duration of business hours due to off-site demands, and cannot afford to hire an employee as an exclusive authorized signatory. The commenter stated that the rule will hinder job creation and impede operational efficiency. The commenter contends that he is unaware of any public policy justification or previous problems warranting this amendment. The commenter further notes that wholesalers and exporters have minimal or no walk-in customers because they do not sell to the general public. Therefore, the commenter suggests that the MVC categorize dealer licensees into different types and tailor the availability of an authorized signatory to those particular types of licensees. Another commenter stated that the rule will impede licensees from attending motor vehicle auctions. The commenter contends that the rule is beyond the scope of the MVC's authority; that it is unconstitutional because it does not bear a real and substantial relation to the general welfare, it imposes an arbitrary restriction on the use of land and interferes with property rights, and it interferes with the conduct of business; and that it violates the guidelines of "Common Sense Principles" established by Executive Order No. 2 (2010). The commenter requested clarification on the authority of the MVC to require licensees or their signatory to be at their place of business; the authority of the MVC to require a licensee or signatory to be at their place of business for a minimum of 20 hours per week; the authority of the MVC to require the hiring of employees; the authority of the MVC to curtail licensees' personal rights, including the

manner in which business is conducted; the authority of the MVC to curtail licensees' property rights, including when they are to use their property; the necessity of establishing work hour requirements; how the proposed requirements are reasonably adapted to meet the MVC's requirements; and the number of complaints received by the MVC in the past six years regarding licensees who were not at their place of business, the names of each complainant, and the names of the licensees complained of. (1 and 3)

RESPONSE: The Commission does not agree that the rule would adversely impact job creation, violate the "Common Sense Principles" of Executive Order No. 2 (2010), or be an impediment to operational efficiency to any legitimate used or new car dealer, who is in the business of selling motor vehicles, not simply buying them. The value added to a viable business by an additional employee is the ability of the business to remain in operation at regular hours. A legitimate business will ensure that it is open at regular hours so as to be available to customers. Having the dealer or a legitimate authorized signatory for each individual licensee facilitates customers' expectations for reasonable service, and ensures that an authorized representative for the licensee will be available to State officials during business hours. The rule does not require that a dealer be present in two places at one time. The rule merely requires that an authorized signatory be available to attend to customer and other business needs during the regular business hours. Because N.J.S.A. 39:10-19 requires that a dealer have a physical place of business, the requirement for the presence of an authorized agent logically follows. Further, if the dealer is engaged solely in wholesale, he or she is still in the business of selling motor vehicles and is required to have regular business hours and an authorized agent present. A representative who cannot act for the dealership is not keeping the dealership in operation, but merely maintaining the appearance of a dealership, since business cannot be transacted.

The Commission has sufficient public policy concerns to justify promulgation of this rule. Used cars are commodities of potentially high value, a business with demonstrated opportunities for theft and fraud, including illegal sales, consumer fraud, and tax evasion. N.J.S.A. 39:10-19 requires that the dealer maintain a sufficient and knowledgeable presence at the licensed place of business to be available both to customers and to the officers of regulatory enforcement. New Jersey is not alone in its efforts to regulate dealers. For example, Pennsylvania requires regular business hours to be posted at the place of business. New York requires a licensee to have and continuously maintain a place of business where all sales must be conducted. Off-site sales, Sunday sales, title fraud, tax evasion, and consumer fraud, are all activities that are directly related to accommodation addresses (addresses on paper only, where no legitimate business is conducted) and furthered by lax regulatory requirements, like those advocated by the commenters. Illegal practices are evidenced by a multitude of facts, including, but not limited to, the increasing volume of dealer reassignments presented on out-of-State titles and electronic temporary registrations processed from unlicensed locations resulting in "skip title transactions" and under-reporting of sales activity; the non-responsiveness from dealers in relation to the numerous complaints from law enforcement officials and consumers from New Jersey and bordering states; authorized signatories' general lack of knowledge regarding customer complaints and the inability to supply records, such as sales files, reassignments, and payroll records; and the absence of dealers or authorized signatories whatsoever.

Further, the compelling State interest in preventing the use of accommodation addresses is for the protection of consumers and documents. Consequently, dealers must be able to be found at predictable times by regulatory personnel. Thus, unlike that portion of the law found to be unconstitutional in *N.J. Used Car Trade Assoc. v. Magee*, 1 *N.J. Super.* 371 (*Ch. Div.* 1948), there is a clear and direct relation between the conduct regulated and the public welfare as a whole.

The commenter's statements questioning the statutory authority of the MVC to promulgate the amendment is addressed in the Response to Comment 2.

Because the Commission recognizes that some dealers may want a certain amount of flexibility and because some dealers may not want to

hire a dedicated authorized signatory, which is necessary only if the dealer is to be away from the business during normal business hours, there is no requirement that the business remain open more than 20 hours a week. Thus, it cannot be said that this rule is anything but reasonable or that it imposes an unreasonable burden on a legitimate dealer. The Commission, therefore, declines to eliminate this rule; it is also noted that elimination of this rule was not part of the Commission's proposal.

As to the supplying of the numbers of complaints and names of complainants, this forum is inappropriate for that purpose. The commenter is welcome to submit a request pursuant to the Open Public Records Act (N.J.S.A. 47:1A-1 et seq.).

5. COMMENT: One commenter stated that the amendment of N.J.A.C. 13:21-15.4(d), setting forth requirements for compliance with International Building Code and firewall regulations, is arbitrary and capricious. The commenter contends that the rule is beyond the scope of the MVC's authority; and that it is unconstitutional because it does not bear a real and substantial relation to the general welfare, it imposes an arbitrary restriction on the use of land and interferes with property rights, and it interferes with the conduct of business. The commenter stated that the requirements for a firewall are unnecessary because all multi-dealership facilities are already compliant with existing building ordinances and regulations. The commenter contends that the amendment encroaches on the authority of the Department of Community Affairs, and is void. The commenter requested clarification on the authority of the MVC to require a firewall, the authority of the MVC to curtail licensees' personal rights, including the manner in which they conduct business, the authority of the MVC to curtail licensees' property rights, including the manner in which they are to use their property, and how the proposed requirements are reasonably adapted to meet the MVC's requirements. (3)

RESPONSE: The Commission rejects the commenter's argument that the rule or the proposed amendment is arbitrary and capricious. The proposed amendment only seeks to confirm that changes from the National Building Code, an outdated standard, to the International Building Code, the current standard, adopted by the State in the New Jersey Uniform Construction Code (N.J.A.C. 5:23-3.14), which has also been the practice of the Commission since the National Building Code was superseded by the International Building Code. As to the rule itself, N.J.S.A. 39:10-19 requires a permanent place of business, and Title 39 grants the Commission the authority to promulgate rules to implement the governing statutes. This includes the dealer facilities. If a dealer's location is not in a permanently enclosed building or separated by other occupants by a substantial, permanent wall like a firewall, it is not suitable for conducting a motor vehicle sales business. The requirement of a firewall would be unnecessary only if the premises in question were an accommodation address in which the licensee never conducted business. In the absence of business premises located in a permanently enclosed building in which there were no other tenants, a firewall is necessary to protect documents and individuals, both dealers and customers, who are on the premises at the time.

Additionally, investigatory activity has uncovered that much of the illicit activity by dealers engaged in illegitimate business is connected to premises that lack the requisite office facilities, including firewalls that protect documents and individuals. Fire-rated walls provide insufficient protection for documents or individuals located in the inner offices of the facility. Investigation by State authorities has revealed facilities where no dealers were present and no vehicles were for sale. One facility was, and still is, surrounded by barbed-wire chain-link fencing and an expanse of empty pavement sprouting weeds that appeared more like an abandoned warehouse than a legitimate used car dealer facility. The facility houses more than 300 dealer-tenants who operate out of cubicles packed in rows inside the main building. Repeated visits to the facility have shown only empty dealer cubicles behind locked doors with no phones ringing, no sales personnel, no customers, and no inventory.

The commenter's statements questioning the statutory authority of the MVC to promulgate the amendment is addressed in the Response to Comment 2.

Without the separation of a firewall, the premises would be suitable only for use as an accommodation address, a business location on paper

only, and could not support an established place of business, as contemplated by N.J.S.A. 39:10-19 et seq. Therefore, the Commission declines to eliminate the rule.

6. COMMENT: One commenter stated that the provisions of proposed amendments to N.J.A.C. 13:21-15.9 and 15.11 would place undue obstacles on start-up dealers in their ability to issue temporary registrations and obtain dealer license plates that would drive them out of business and result in decreased competition. (1)

RESPONSE: The Commission disagrees with the commenter's assertion. A legitimate licensee operating in New Jersey, from New Jersey-licensed premises, as opposed to conducting sales in neighboring states, off-site, can reasonably be expected to sell or lease at least four vehicles permanently registered in New Jersey in a 12-month period in order to maintain the privilege of issuing temporary registrations and obtaining dealer license plates. The failure to sell or lease four vehicles registered in New Jersey in that time period is a strong indication that the dealer is not operating a legitimate business and should not be entitled to issue temporary registrations or obtain dealer plates. This amendment is necessary to reduce the fraudulent practice of issuing New Jersey temporary registrations to vehicles registered out-of-State, and other types of illicit activity as described in the Response to Comment 4. Therefore, the Commission declines to eliminate this rule.

7. COMMENT: One commenter stated that he was seeking clarification on the proposed provisions of N.J.A.C. 13:21-15.9 and 15.11, which set a requirement of a minimum number of permanently registered motor vehicles in New Jersey that were sold or leased in a 12-month period, in order for a licensee to issue temporary registrations and retain dealer plates. The commenter stated that his company's business model bases its sales on a single delivery location despite having branch locations that only accept orders and initial deposits. Therefore, the commenter requested clarification on whether the proposed amendments will apply the minimum number of transactions Statewide or to each branch location. (2)

RESPONSE: To clarify, in the aforementioned scenario, the amendments will apply the minimum number of transactions to the total Statewide sales and/or leases by the company.

#### Summary of Agency-Initiated Change:

The Commission deleted the definition of "licensing dealer" in N.J.A.C. 13:21-15.1, because of an inadvertent error in the rule proposal. The definition was supposed to be for "leasing dealer," not "licensing dealer." In addition, the Commission has deemed the definition unnecessary and redundant, in light of the fact that "leasing dealer" is already defined by statute, in N.J.S.A. 56:12-61, as referenced in N.J.S.A. 39:10-19.

#### Federal Standards Statement

A Federal standards analysis is not required because the rules governing motor vehicle dealers and leasing dealers are dictated by State statute and are not subject to Federal requirements or standards.

Full text of the adoption follows (additions to proposal indicated in boldface with asterisks \*thus\*; deletions from proposal indicated in brackets with asterisks \*[thus]\*):

#### SUBCHAPTER 15. NEW JERSEY LICENSED MOTOR VEHICLE DEALERS AND LEASING DEALERS

##### 13:21-15.1 Definitions

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

"Applicant" means any person applying for an initial license to engage in the business of buying, selling, or dealing in motor vehicles, leasing motor vehicles, or for a renewal of an existing license and shall include all partners, officers, directors, and persons having a controlling interest in a sole proprietorship, limited liability company, corporation, or other business entity.

"Authorized signatory" means a dealer or leasing dealer and any employee, officer, director, partner, or other holder of an ownership interest in the licensed business, which person is authorized to execute documents on behalf of the dealer or leasing dealer, but shall not include

any attorney in fact who is not an employee, officer, director, partner, or holder of an ownership interest.

“Business of buying, selling or dealing in motor vehicles” means engaging in the business of buying or selling motor vehicles on one’s own account or on behalf of another or participating in any transaction, including the brokerage or auctioning of motor vehicles, which transaction involves the transfer of title or of legal or beneficial ownership of a motor vehicle.

“Dealer” or “motor vehicle dealer” means any natural person or entity that is engaged in the business of buying, selling, or dealing in motor vehicles. Such person or entity is required to hold a dealer license pursuant to N.J.S.A. 39:10-19 et seq.

“Employee” means a person who works under the direction and control of another, in return for financial or other compensation, and provides services as an agent for the employer.

\*[“Licensing dealer” means a licensed entity whose leasing activities are limited to buying motor vehicles for the purpose of leasing them and selling motor vehicles at the termination of a lease, and who, in the ordinary course of business, offers or enters into motor vehicle leases or who in the course of any 12-month period offers or enters into more than three motor vehicle leases.]\*

“Licensee,” “licensed dealer,” or “person” means any natural person or entity that is licensed to buy, sell, or deal in, or lease, motor vehicles pursuant to N.J.S.A. 39:10-19 et seq.

#### 13:21-15.2 Application

(a) An application for a dealer or leasing dealer license required to be obtained under the provisions of N.J.S.A. 39:10-19 shall be verified by an oath or affirmation of the applicant and shall be on forms prescribed by the Commission and furnished to such applicants.

(b)-(e) (No change.)

(f) At the time of initial application, the applicant shall submit a list of all proposed authorized signatories to be listed on the license application and the licensee shall notify the Commission within 10 days of any change in that list on forms prescribed by the Commission; every application shall include an affidavit by each authorized signatory that he or she has neither been convicted of a crime arising out of fraud or misrepresentation nor previously held a license issued by the Chief Administrator or the Commission, which license was revoked and not reissued. Upon request from the Chief Administrator, the licensee shall produce documentation demonstrating that each authorized signatory meets the definition of authorized signatory.

(g)-(k) (No change.)

(l) At some time during the application process prior to licensure, the applicant shall submit a certificate of insurance demonstrating liability insurance covering all vehicles owned or operated by the applicant, at his or her request or with his or her consent. This insurance shall be in the amount of \$100,000 per person per incident up to \$250,000 per incident for bodily injury or death, \$25,000 per incident for property damage, and \$250,000 combined personal injury and property damage per incident. This insurance shall be renewed as necessary to ensure that it remains valid for the entire prospective license term.

(m) At the time of initial application, an applicant who intends to sell new motor vehicles shall submit a copy of the applicant’s franchise agreement(s) with any motor vehicle franchisor, as defined in N.J.S.A. 56:10-26. This requirement shall not apply to vehicles or franchisors specifically exempt from N.J.S.A. 56:10-26 through 31.

1. An applicant for renewal shall submit a copy of the applicant’s franchise agreement(s) with any motor vehicle franchisor, as defined in N.J.S.A. 56:10-26. **\*This requirement shall not apply to vehicles or franchisors specifically exempt from N.J.S.A. 56:10-26 through 31.\***

(n) (No change.)

#### 13:21-15.3 Proper person

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

1.-3. (No change.)

4. Be a motor vehicle franchisee under N.J.S.A. 56:10-26.d, as evidenced by the franchise agreement(s) referenced in N.J.A.C. 13:21-15.2(m). This requirement does not apply to leasing dealer license

applicants or franchisors exempt from the franchise requirements under N.J.S.A. 56:10-27.1.

(b) (No change.)

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

(a) All licensees, except leasing dealers, shall maintain a permanent, properly identified location, as set forth at (a)1 and 2 below, at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business, including, but not limited to, all documents required by N.J.S.A. 39:10-6, all payroll records, including, but not limited to, W4 or W2 records, and all records required under N.J.A.C. 12:56-4, checkbooks, and ledgers for business accounts and trust accounts, all unissued temporary registrations, dealer reassignments, corporate authorities and licenses, dealer plates, and ledgers listing all issued and unissued temporary registrations, dealer assignments, and dealer plates. In the event that a dealership maintains branches or a licensee operates multiple licensed dealerships under common ownership or control (a dealership group), and the remaining requirements of this subsection are met at each dealership branch site or each individual dealership site within a dealership group, records that are not immediately necessary for the conduct of current business at a dealership branch site or an individual dealership site within a dealership group may be maintained at the main or principal location of the dealership or dealership group or at a centralized recordkeeping facility.

1. All licensees selling new motor vehicles shall maintain a permanent, properly identified location of not less than a total of 1,000 square feet, on one or more than one floor, within a permanent, enclosed building and where there are included or immediately contiguous, clearly identified, fixed facilities to display at least two automobiles and equipment to service motor vehicles as required by N.J.S.A. 39:10-19.

2.-3. (No change.)

4. A dealer licensed prior to March 6, 2006\*,\* may continue to maintain a place of business that does not meet the square footage and display space requirements of this subsection, as amended; provided, that the premises meets and continues to meet the requirements of this section prior to March 6, 2006. \*[New construction or additions extending beyond the existing perimeter of the building shall not be included in the above exception and a proposed place of business located in such new construction or addition must meet all of the requirements in this section.]\*

5. A leasing dealer must have a permanent business location at the address submitted in the leasing dealer’s application, at which place shall be kept and maintained the books, records, and files necessary to conduct the business. In the event the leasing dealer maintains branches or operates multiple licensed locations under common ownership or control, records not immediately necessary for the conduct of current business at a leasing dealership branch site or an individual leasing dealership site may be maintained at the main or principal location of the leasing dealership or at a centralized recordkeeping facility, provided the records are available to the Commission upon the Commission’s request.

(b) (No change.)

(c) The licensee or an authorized signatory shall be present at the dealership or leasing dealership at all times during the business hours set forth in the application for licensure, which schedule shall be conspicuously posted along with the dealer’s or leasing dealer’s license on the licensee’s premises in an area readily accessible to the public.

1. (No change.)

2. An authorized signatory shall not simultaneously represent more than one licensee at any given time during the business hours set forth in the licensee’s application for licensure, for purposes of this section.

(d) A proposed place of business will not be considered suitable for approval if there already exist one or more licenses issued for, or other business entities present at, the same premises, except where there is absolutely common identity of ownership or where an affiliated motor vehicle leasing company is also licensed as a motor vehicle dealer and in such cases a record of the transactions of each licensed dealer shall be separately maintained. A proposed place of business is deemed to occupy the same premises as another dealership if the two facilities:

1. Are not completely separated by exterior walls or a firewall conforming to Section 706 of the 2009 International Building Code,

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New Jersey Edition requirements, as adopted by the New Jersey Department of Community Affairs as the Uniform Construction Code pursuant to N.J.A.C. 5:23-3.14. Applicants and licensees shall submit proof of compliance with the firewall requirement certified by a New Jersey-licensed engineer, New Jersey-licensed architect, or municipal code official.

i. For a proposed place of business located in a building housing more than one business, within which there was at least one licensed dealer and one other business prior to March 6, 2006, and where there is a fire suppression system approved by a local building code official or the New Jersey Department of Community Affairs, walls must be either exterior walls or standard walls constructed separately from any other wall. A proposed place of business meeting this criteria must also be certified to meet the requirements stated in this section by a New Jersey-licensed engineer, New Jersey-licensed architect, or municipal code official.

ii. For the purposes of this subsection, a standard wall shall be a typical wall section at least eight feet in height, consisting of 2" X 4" wood or metal studs with one layer of 5/8 inch gypsum wall board on each side.

iii. A proposed place of business located in new construction or in an addition over, or in an addition extending beyond the existing perimeter of, a building subject to this subsection shall meet the firewall requirement of this subsection.

2. Do not have separate entrances;

3. Do not have separate, fixed, clearly identified display facilities;

4. Do not have separate mailboxes; and

5. Do not have separate, fixed-location (that is, not mobile or cellular) telephone systems.

(e) Any licensed dealer or leasing dealer who intends to change his or her business location or to open a branch operation must notify the Dealer Licensing Section of the Commission in writing at least 30 days prior to doing so.

1. In order to obtain approval of a new or a branch location, the licensee's notification to the Commission shall include a description of the proposed location, which description shall contain sufficient information to demonstrate that the premises will meet all the criteria set forth in this section.

(f) No licensee may relocate his or her business location or open a branch location until after notification that the site is approved by the Commission.

(g) All business records including, but not limited to, those set forth in (a) and (d) above, shall be maintained for three years on the licensed premises and shall be made available to the Commission during normal business hours on request. Records may be kept in either paper or electronic format.

1. (No change.)

(h) Every established place of business shall be equipped with office furniture and equipment, including, but not limited to, a desk, chairs, file storage, a fixed safe, electric lighting, functioning communications lines, and equipment and climate control, sufficient to conduct business at that location.

(i) Every established place of business shall contain a secured area accessible only to the licensee and authorized signatories for the storage of controlled Commission documents.

(j) (No change.)

13:21-15.5 Grounds for rejection, suspension, or revocation of a dealer license; fines; or issuance of a cease and desist order

(a) The Chief Administrator may deny an application for a license, revoke or suspend a license after it has been granted, issue fines as provided in N.J.S.A. 39:10-20, or issue a cease and desist order to a licensee or to an unlicensed person or entity engaged in activities for which a license is required pursuant to N.J.S.A. 39:10-19 et seq. for any of the following reasons:

1.-2. (No change.)

3. The applicant was a previous holder of a license that was suspended or revoked for cause or was subject to a fine by the Chief Administrator and the terms of such suspension have not been satisfied,

the fine imposed has not been satisfied, and/or the license has not been reissued;

4.-18. (No change.)

(b) (No change.)

13:21-15.6 Transfer of ownership without title; presentation or reassignment of altered title documents; suspension; period of suspension; refusal to renew license

(a) No licensee, nor any person on his or her behalf, shall present to the Commission or reassign to a subsequent purchaser a motor vehicle title issued by this or any other state, province, or jurisdiction or any other title document that contains any erasure, obliteration, correction, or any other alteration where said alteration was reasonably detectable by a person of ordinary intelligence from a routine review of the motor vehicle title or any other title document.

(b) Except as provided in (c) below, no licensee, nor any person on his or her behalf, shall buy, sell, or deal in any motor vehicle unaccompanied by, or in the absence of, a valid title at the time of the transaction, except as provided pursuant to N.J.S.A. 39:10-6, 39:10-9, 39:10A-15, and 39:4-56.5.

(c) (No change.)

(d) The license of a person who violates (a) or (b) above may be suspended for the periods set forth in (e) below, pursuant to the provisions set forth in N.J.S.A. 39:10-20.

(e) For the purpose of suspending a dealer's or leasing dealer's license pursuant to (b) above, each document presented or reassigned shall constitute a separate violation. For a first violation the dealer's or leasing dealer's license may be suspended for a period less than the unexpired period of the license or 15 days, whichever period is lesser. For subsequent violations the dealer's or leasing dealer's license shall be suspended for a period of not less than 15 days or more than 90 days.

(f) The Chief Administrator may revoke or refuse to renew a license where the applicant has had two or more violations of (a) and/or (b) above, which violations resulted in a suspension pursuant to (d) above.

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

(a)-(b) (No change.)

(c) Notwithstanding (b) above, in the event that the purchaser of a used passenger motor vehicle to be registered in this State does not waive, pursuant to N.J.S.A. 39:10-29, the dealer's obligation pursuant to N.J.S.A. 39:10-27, and such used passenger motor vehicle will become five model years old within the two-month period following the calendar month of initial registration by the purchaser in this State and/or has affixed thereto an unexpired New Jersey inspection certificate of approval or inspection decal that indicates the motor vehicle is due for inspection pursuant to N.J.S.A. 39:8-1 within the two-month period following the calendar month in which such motor vehicle is initially registered by the purchaser in this State, the motor vehicle dealer shall inform the purchaser that the used passenger motor vehicle must be presented for inspection at an official inspection facility as defined in N.J.A.C. 13:20-43.1 or a private inspection facility as defined in N.J.A.C. 13:20-43.1 within 14 days of the date of issuance of the temporary authorization certificate for the motor vehicle by the Commission in order for the purchaser to exercise his or her rights under N.J.S.A. 39:10-26 through 39:10-30.

(d)-(e) (No change.)

13:21-15.9 Temporary registrations issued by licensed motor vehicle dealers and leasing dealers for vehicles that are to be permanently registered in New Jersey

(a) A licensee authorized to issue temporary registrations by the Commission, may, in accordance with this section, issue a temporary registration for a new or used vehicle to a person or entity that has purchased or leased said vehicle from such dealer or leasing dealer provided that said vehicle is to be permanently registered in New Jersey. A bona fide sale or lease of such vehicle is a prerequisite to the issuance of a temporary registration. Temporary registrations may be issued for passenger vehicles, noncommercial trucks, laden or unladen non-apportioned commercial vehicles, motorcycles, and motorized bicycles,

and may be issued for either initial or transfer registrations. If the registrant is not transferring a registration as permitted by N.J.S.A. 39:3-30, the temporary registration shall serve as both a temporary registration and marker (license plate).

(b) Licensees selling and/or leasing fewer than four vehicles permanently registered in New Jersey through a retail sale or lease in their first 12 months of operation, or any 12-month period thereafter, are not authorized to issue temporary registrations.

1. Licensees who have been issued their initial license and are in their first 12 months of operation will be eligible to issue temporary registrations. At the end of a licensee's first 12 months of operation, the licensee shall submit the retail sales and/or lease contracts, or other documentation deemed necessary by the Commission, to determine whether the licensee sold and/or leased at least four vehicles that were permanently registered in New Jersey during the licensee's first 12 months of operation.

2. Upon request from the Commission, the licensee shall provide documentation of its previous year's retail sales and/or leases and New Jersey registration records. Licensees not meeting the required minimum of four retail sales or leases per year may have their authorization to issue temporary registrations revoked by the Commission.

3. For the purpose of this subsection only, and pursuant to the definitions as found in N.J.S.A. 39:1-1 et seq., the sale of motorized bikes, all-terrain vehicles, dirt bikes, snowmobiles, motor-drawn vehicles, trailers, specialty vehicles, low-speed vehicles, or mobile or manufactured homes as defined in N.J.S.A. 52:27D-121, or any other non-traditional vehicle that is not required to have a motor vehicle dealer license issued by the Commission or not permitted to be used on public roads or highways does not count toward the sale and registration minimum required to obtain or maintain authorization to issue temporary registrations as required in this subsection.

4. A licensee not meeting the requirements to obtain or maintain authorization to issue temporary registrations will be notified in writing by the Commission and given an opportunity to request a hearing pursuant to N.J.A.C. 13:21-15.14.

5. Upon written application and sufficient proof of minimum retail sales and/or leases, a licensee's authorization to issue temporary registrations may be reinstated by the Commission.

(c) A temporary registration shall not be issued pursuant to this section if the dealer or leasing dealer does not have in his or her possession a valid manufacturer's statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle, except as provided pursuant to N.J.S.A. 39:10-6, 39:10-9, 39:10A-15, and 39:4-56.5.

(d) (No change in text.)

(e) A temporary registration shall not be issued pursuant to this section unless the applicant therefor presents proof of current liability insurance coverage available to the vehicle as required by N.J.S.A. 39:6B-1 and/or 39:6A-3. Such proof of current liability insurance coverage shall include, but not be limited to, a valid New Jersey insurance identification card for the vehicle, the declarations page of the insurance policy for the vehicle, or an insurance policy binder for the vehicle, a copy of which card, declaration, or binder shall be retained for three years. No person shall sell, provide, transfer, or otherwise arrange for insurance coverage required pursuant to this section unless he or she is an insurance producer properly licensed by the New Jersey Department of Banking and Insurance.

Recodify existing (e) and (f) as (f) and (g) (No change in text.)

(h) A licensee shall not in any way alter a previously issued temporary registration. A second temporary registration, valid for a 30-day period beyond the original temporary registration, may be issued only when permanent registration of a vehicle is delayed because the:

1.-2. (No change.)

(i) A temporary registration is not transferable from one licensee to another or from one vehicle to another. A temporary registration shall not be lent by a licensee to a customer, another licensee, or any other person or entity. A temporary registration shall not be issued for vehicles titled in the name of the licensee or for vehicles covered solely by the licensee's insurance policy.

(j) A licensee authorized to issue temporary registrations by the Commission may purchase temporary registration paper stock from an approved vendor that is listed on the Commission's website, [www.state.nj.us/mvc](http://www.state.nj.us/mvc).

(k) A temporary registration shall only be issued through the licensee's own account with the Commission's eTemp Registration Program, at a cost of \$3.00 per temporary registration, and shall be printed on a laser jet printer.

(l) The licensee or authorized signatory shall ensure that all required information is properly entered and print the temporary registration. The information shall include:

1.-7. (No change.)

8. The licensee's name and dealer or leasing dealer identification number; and

9. (No change.)

(m) The licensee or authorized signatory shall securely attach the temporary registration plate issued by the licensee pursuant to this section to the rear license plate holder of the vehicle. No portion of the temporary registration plate shall be obstructed. For a motorcycle, a motorized bicycle, or in the event that the registrant is transferring persons with disabilities plates or the temporary registration plate cannot otherwise be securely attached to the vehicle, the temporary registration plate shall be in the possession of the driver of such vehicle when it is being operated and shall be exhibited upon the request of any law enforcement official or authorized representative of the Commission.

(n) The "temporary vehicle registration" portion of the temporary registration issued by a licensee pursuant to this section shall be given to the registrant. This portion shall be in the possession of the driver of such vehicle when it is being operated and shall be exhibited upon the request of any law enforcement official or authorized representative of the Commission.

(o) Any voided temporary registrations shall be kept in the possession of the licensee for three years from the issue date or void date, and shall be made available by the licensee for examination by authorized representatives of the Commission at any time during regular business hours. A licensee shall permit authorized Commission representatives on the premises of the licensee during regular business hours for the purpose of conducting such an examination of temporary registration records. In the event that a dealership maintains branches or a licensee operates multiple licensed dealerships under common ownership or control (a dealership group), and the remaining requirements of this subsection are met at each dealership branch site or each individual dealership site within a dealership group, records that are not immediately necessary for the conduct of current business at a dealership branch site or an individual dealership site within a dealership group may be maintained at the main or principal location of the dealership or dealership group or at a centralized recordkeeping facility.

(p) A licensee who violates any provision of this section shall, upon notice and an opportunity to be heard, have the privilege of issuing temporary registrations suspended. In addition, a licensee who commits such a violation may, upon notice and an opportunity to be heard, have the dealer's or leasing dealer's license suspended or revoked, or renewal thereof refused, by the Chief Administrator pursuant to N.J.S.A. 39:10-20.

(q) (No change in text.)

(r) A licensee authorized to issue temporary registrations by the Commission shall print the temporary registrations using a method and type of paper stock as set forth in (j) and (k) above.

Recodify existing (r) and (s) as (s) and (t) (No change in text.)

13:21-15.10 Nonresident temporary registrations issued by licensed motor vehicle dealers and leasing dealers

(a) A licensee authorized to issue temporary registrations by the Commission may, in accordance with this section, issue a nonresident temporary registration for a new or used vehicle to a nonresident person or entity that has purchased or leased said vehicle from such dealer or leasing dealer while enroute to another state or Federal district, provided that said vehicle will not be permanently registered in New Jersey. A bona fide sale or lease of such vehicle is a prerequisite to the issuance of a nonresident temporary registration. Nonresident temporary

registrations may be issued for passenger vehicles, noncommercial trucks, unladen non-apportioned commercial vehicles, motorcycles and motorized bicycles. The nonresident temporary registration shall serve as both a temporary registration and marker (license plate).

(b) Licensees selling and/or leasing fewer than four vehicles permanently registered in New Jersey through a retail sale or lease in their first 12 months of operation or any 12-month period thereafter are not authorized to issue nonresident temporary registrations.

1. Licensees who have been issued their initial license and are in their first 12 months of operation will be eligible to issue nonresident temporary registrations. At the end of a licensee's first 12 months of operation, the licensee shall submit the retail sales and/or lease contracts, or other documentation deemed necessary by the Commission, to determine whether the licensee sold and/or leased at least four vehicles that were permanently registered in New Jersey during the licensee's first 12 months of operation.

2. Upon request from the Commission, the licensee shall provide documentation of its previous year's retail sales and/or leases and New Jersey registration records. Licensees not meeting the required minimum of four retail sales or leases per year may have their authorization to issue nonresident temporary registrations revoked by the Commission.

3. For the purpose of this subsection only and pursuant to the definitions as found in N.J.S.A. 39:1-1 et seq., the sale of motorized bikes, all-terrain vehicles, dirt bikes, snowmobiles, motor-drawn vehicles, trailers, specialty vehicles, low-speed vehicles, or mobile or manufactured homes as defined in N.J.S.A. 52:27D-121, or any other non-traditional vehicle that is not required to have a motor vehicle dealer license issued by the Commission or not permitted to be used on public roads or highways does not count toward the sale and registration minimum required to obtain or maintain authorization to issue nonresident temporary registrations as required in this subsection.

4. A licensee not meeting the requirements to obtain or maintain authorization to issue nonresident temporary registrations will be notified in writing by the Commission and given an opportunity to request a hearing pursuant to N.J.A.C. 13:21-15.14.

5. Upon written application and sufficient proof of minimum retail sales and/or leases, a licensee's authorization to issue nonresident temporary registrations may be reinstated by the Commission.

(c) A nonresident temporary registration shall not be issued pursuant to this section if the dealer or leasing dealer does not have in his or her possession a valid manufacturer's statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle, except as provided pursuant to N.J.S.A. 39:10-9.

Recodify existing (c)-(f) as (d)-(g) (No change in text.)

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

(i) A nonresident temporary registration is not transferable from one licensee to another or from one vehicle to another. A nonresident temporary registration shall not be lent by a licensee to a customer, another licensee, or any other person or entity. A nonresident temporary registration shall not be issued for vehicles titled in the name of the licensee or for vehicles covered solely by the licensee's insurance policy.

(j) A licensee authorized to issue nonresident temporary registrations by the Commission may purchase temporary registration paper stock from an approved vendor that is listed on the Commission's website, [www.state.nj.us/mvc](http://www.state.nj.us/mvc). A licensee authorized to issue nonresident temporary registrations through the Commission's eTemp Tag Program may issue them at a cost of \$5.00 per nonresident temporary registration.

(k) A nonresident temporary registration shall only be issued through the licensee's own account and shall be printed on a laser jet printer.

(l) The licensee or authorized signatory shall ensure that all required information is properly entered and print the nonresident temporary registration. The information shall include:

1.-6. (No change.)

7. The licensee's name and dealer or leasing dealer identification number; and

8. (No change.)

(m) The licensee or authorized signatory shall securely attach the nonresident temporary registration plate issued by the licensee pursuant to this section to the rear license plate holder of the vehicle. No portion of the nonresident temporary registration plate shall be obstructed. For a motorcycle, a motorized bicycle, or in the event that the registrant is transferring persons with disabilities plates or the nonresident temporary registration plate cannot otherwise be securely attached to the vehicle, the nonresident temporary registration plate shall be in the possession of the driver of such vehicle when it is being operated and shall be exhibited upon the request of any law enforcement official or authorized representative of the Commission.

(n) Any voided nonresident temporary registrations shall be kept in the possession of the licensee for three years from the issue date or void date, and shall be made available by the licensee for examination by authorized representatives of the Commission at any time during regular business hours. A licensee shall permit authorized Commission representatives on the premises of the licensee during regular business hours for the purpose of conducting such an examination of nonresident temporary registration records. In the event that a dealership maintains branches or a licensee operates multiple licensed dealerships under common ownership or control (a dealership group), and the remaining requirements of this subsection are met at each dealership branch site or each individual dealership site within a dealership group, records that are not immediately necessary for the conduct of current business at a dealership branch site or an individual dealership site within a dealership group may be maintained at the main or principal location of the dealership or dealership group or at a centralized recordkeeping facility.

(o) A licensee who violates any provision of this section shall, upon notice and an opportunity to be heard, have the privilege of issuing nonresident temporary registrations suspended. In addition, a licensee who commits such a violation may, upon notice and an opportunity to be heard, have the dealer's or leasing dealer's license suspended or revoked, or renewal thereof refused, by the Chief Administrator pursuant to N.J.S.A. 39:10-20.

(p) (No change in text.)

(q) A licensee authorized to issue nonresident temporary registrations by the Commission shall print them using a method and type of paper stock as set forth in (j) and (k) above.

Recodify existing (q) and (r) as (r) and (s) (No change in text.)

13:21-15.11 Dealer and leasing dealer plates

(a) Licensees selling or leasing fewer than four vehicles permanently registered in New Jersey through a retail sale or lease in their first 12 months of operation or any 12-month period thereafter are not authorized to obtain or retain dealer or leasing dealer plates.

1. Upon request from the Commission, a licensee shall provide documentation of its previous year's retail sales and/or leases, as applicable, and New Jersey registration records. Licensees not meeting the required minimum of four retail sales or leases per year may be required to forfeit their dealer or leasing dealer plates.

2. For the purpose of this subsection only, the sale of mobile or manufactured homes as defined in N.J.S.A. 52:27D-121, motorized bikes, ATVs, dirt bikes, snowmobiles, motor-drawn vehicles as defined in N.J.S.A. 39:1-1, trailers, specialty vehicles, low-speed vehicles, or any other non-traditional vehicle that is not required to have a motor vehicle dealer license issued by the Commission or not permitted to be used on public roads or highways shall not be counted toward the sale and/or lease and registration minimum required to be eligible for general registration plates.

(b) New motor vehicle dealers shall receive no more than 20 dealer plates upon initial issuance of a new motor vehicle dealer license. Dealers who can show to the satisfaction of the Commission that 20 dealer plates will not be sufficient for their inventory may submit a request for additional plates. A dealer's request for additional plates must be submitted in writing and accompanied by documentation of the dealer's business model/plans, cars in inventory, sales numbers from other states of licensure (if applicable), and any other documents that may assist the Commission in determining sufficient need for the dealer's request.

(c) Used motor vehicle dealers shall receive no more than one set of dealer plates upon initial issuance of a used motor vehicle dealer license. Dealers who can show to the satisfaction of the Commission that one set of dealer plates will not be sufficient for their inventory may submit a request for additional plates not to exceed 20 plates on initial issuance, except as provided in (e) below. A dealer's request for additional plates must be submitted in writing and accompanied by documentation of the dealer's business model/plans, cars in inventory, sales numbers from other states of licensure (if applicable), and any other documents that may assist the Commission in determining sufficient need for the dealer's request.

(d) Leasing dealers shall receive no more than one set of leasing dealer plates upon initial issuance of a leasing dealer license. Leasing dealers who can show to the satisfaction of the Commission that one set of leasing dealer plates will not be sufficient for their inventory may submit a request for additional plates not to exceed 20 plates on initial issuance, except as provided in (e) below. A leasing dealer's request for additional plates must be submitted in writing and accompanied by documentation of the leasing dealer's business model/plans, cars in inventory, sales numbers from other states of licensure (if applicable), and any other documents that may assist the Commission in determining sufficient need for the leasing dealer's request.

(e) Used motor vehicle dealers or leasing dealers who can show, to the satisfaction of the Commission, that their current supply of dealer or leasing dealer plates is insufficient may submit a request for additional plates, except that no dealer or leasing dealer may obtain more plates than allowed by this subsection as indicated below:

1. Used motor vehicle dealers or leasing dealers selling and/or leasing four to 30 vehicles registered in New Jersey per license year are eligible for no more than one set of plates;

2. Used motor vehicle dealers or leasing dealers selling and/or leasing 31 to 60 vehicles registered in New Jersey per license year are eligible for no more than two sets of plates; and

3. Used motor vehicle dealers or leasing dealers selling and/or leasing more than 60 vehicles registered in New Jersey per license year are eligible for one additional set of plates for every additional 30 vehicles sold/leased and permanently registered in New Jersey per license year.

(f) A request for additional plates must be submitted in writing and accompanied by documentation of the licensee's retail sales and/or lease numbers.

(g) All dealer and leasing dealer plates shall be accounted for in an electronic or written record, for which the following information is listed for each dealer or leasing dealer plate:

1.-2. (No change.)

3. The location at which the vehicle to which the plate is assigned is garaged (if not on the dealer's or leasing dealer's premises).

(h) (No change in text.)

(i) A licensee who fails upon the demand of the Commission to produce the electronic or written record required pursuant to (g) above shall, upon notice and opportunity to be heard, be subject to suspension or revocation of the dealer's or leasing dealer's license or the privilege of retaining dealer or leasing dealer plates heretofore issued or purchasing additional plates.

Recodify existing (d) and (e) as (j) and (k) (No change in text.)

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

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

(m) (No change in text.)

(n) A dealer or leasing dealer plate that is damaged to the extent that the plate is no longer readable from a reasonable distance or unable to be affixed to a vehicle in the proper manner may be remade for any licensee upon request to the Commission, and in the sole discretion of the Chief Administrator. A dealer or leasing dealer plate that was lost, stolen, or completely destroyed shall not be remade.

1. The remake shall contain the same alpha-numeric combination as the damaged plate. Requests for remade plates must be made in writing on a form prescribed by the Commission and accompanied with a

replacement plate fee pursuant to N.J.A.C. 13:20-34.5. Remade plates shall not be released to the requesting dealer or leasing dealer until the Commission has received the original damaged plate.

2. Failure to return the damaged plate after requesting a remake may result in forfeiture of any applicable deposit and denial of the request for issuance of the same alpha-numeric combination as the damaged plate.

(o) A licensee not meeting the requirements to obtain or maintain dealer or leasing dealer plates will be notified in writing by the Commission.

1. Upon the Chief Administrator's determination that one or more dealer or leasing dealer plates are to be forfeited, the licensee shall return to the Commission all dealer or leasing dealer plates and any related documentation within 45 days of notification by the Commission. Failure to return the requested plates to the Commission within 45 days of notification may result in the suspension of the registration associated with such plates, forfeiture of any associated deposit(s), and/or suspension of the dealer or leasing dealer license.

13:21-15.13 Investigations

(a) The Chief Administrator may investigate or cause to be investigated, on complaint or on his or her own motion, any allegations of violations of the statutes or rules governing the conduct of licensees.

(b) The Chief Administrator or designee shall have the authority to enter onto the premises of any individual or entity engaged in the business of buying, selling, or dealing in motor vehicles, any licensed motor vehicle dealer, or any licensed leasing dealer, for the purpose of surveying the premises, examining the books and records, and otherwise ascertaining that the business is in compliance with the applicable law.

(c) The Chief Administrator shall have the authority to issue subpoenas, to administer oaths, and to compel the production of documents and/or the appearance of witnesses at hearings in any action concerning the license of a licensee.

(d) If a licensee or applicant fails to cooperate in an investigation or to comply with a subpoena or order to produce documents or appear at a hearing, the Chief Administrator may suspend, revoke, or decline to issue or to renew the dealer's or leasing dealer's license or issue a fine pursuant to N.J.S.A. 39:10-20.

13:21-15.15 Emergency disciplinary action

(a) In the event of an emergent situation, in which ongoing fraud, lack of insurance, destruction or vacation of premises, or other circumstances would jeopardize the integrity of the Commission's title records and the ability to prevent traffic in stolen or fraudulently titled motor vehicles, the Commission may immediately issue a preliminary suspension of the dealer's or leasing dealer's license.

(b)-(d) (No change.)

(a)

**DIVISION OF CAPITAL PROGRAM MANAGEMENT  
DIVISION OF RIGHT OF WAY AND ACCESS  
MANAGEMENT**

**Relocation Assistance**

**Readoption with Amendments: N.J.A.C. 16:6**

**Adopted Repeals and New Rules: N.J.A.C. 16:6-1.3,  
2.1, 3.1, and 3.2**

**Adopted New Rule: N.J.A.C. 16:6-3.3**

**Adopted Repeals: N.J.A.C. 16:6-1.2, 1.4, 1.5, 1.6, 2.2  
through 2.15, and 3.4**

Proposed: February 21, 2017, at 49 N.J.R. 324(a).

Adopted: May 9, 2017, by Richard T. Hammer, Commissioner,

Department of Transportation.

Filed: May 9, 2017, as R.2017 d.116, **without change.**

Authority: N.J.S.A. 27:1A-5, 27:1A-6, 27:7-27, and 27:7-72 through 27:7-88; 23 U.S.C. §§ 101 et seq., and 46 U.S.C. §§ 4601 et seq.; and 49 CFR Part 24.