

ASSEMBLY, No. 1366

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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District 14 (Mercer and Middlesex)

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SYNOPSIS

Concerns motor vehicle subscription services.

CURRENT VERSION OF TEXT

As reported by the Assembly Transportation and Independent Authorities Committee with technical review.



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

3

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

6

7 1. As used in this act:

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

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

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

27

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

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

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

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

- 1 3. a. The chief administrator may issue, upon application by a
2 qualified motor vehicle dealer on a form designated by the chief
3 administrator, registration certificates and license plates for vehicles
4 that the dealer offers as subscription vehicles. The license plate
5 shall be assigned only to a vehicle being used by a qualified motor
6 vehicle dealer as a subscription vehicle. The fee for the license
7 plate shall be \$50 for each set of license plates.
- 8 b. The chief administrator shall design a license plate to
9 identify a vehicle as a subscription vehicle. The plate shall contain
10 an "S" designation and shall bear the marking "Subscription
11 Vehicle." A dealer shall assign only the license plate produced
12 pursuant to this subsection to a subscription vehicle.
- 13 c. A person shall not transfer a subscription vehicle license
14 plate to any vehicle other than a subscription vehicle. Any person
15 who violates the provisions of this subsection shall be fined a
16 maximum of \$1,000.
- 17
- 18 4. This act shall take effect on the first day of the seventh
19 month after enactment, provided that the Chief Administrator of the
20 New Jersey Motor Vehicle Commission may take any anticipatory
21 action in advance as may be necessary to implement the provisions
22 of this act.