

ASSEMBLY, No. 3349

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblywoman NANCY F. MUNOZ

District 21 (Morris, Somerset and Union)

SYNOPSIS

Requires sellers of used motor vehicles to complete and submit form.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning sale of used motor vehicles, amending
2 R.S.39:10-9, and supplementing chapter 10 of Title 39 of the
3 Revised Statutes.

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

7
8 1. R.S.39:10-9 is amended to read as follows:
9 39:10-9. When a used motor vehicle is sold in this State, the
10 seller shall **[, except]**:

11 a. Except as provided in **[section]** R.S.39:10-15 **[of this**
12 **Title]**, execute and deliver to the purchaser, an assignment of the
13 certificate of ownership or an assignment of the bill of sale issued
14 prior to October 1, 1946, or, in the event the vehicle is subject to a
15 security interest, or for some other reason the original certificate of
16 ownership is not in the possession of the seller, and where the
17 purchaser is a licensed New Jersey motor vehicle dealer, the seller
18 may execute a secure power of attorney as required under the
19 federal Truth in Mileage Act of 1986, Pub.L.99-579 (49 U.S.C.
20 s.32705) or such other documents as the chief administrator may
21 require, authorizing the licensed dealer to execute the original title
22 upon obtaining possession of same. If a security interest exists at
23 the time of **[such]** the sale and will continue in effect afterwards or
24 if, in connection with **[such]** the sale, a security interest is taken or
25 retained by the seller to secure all or a part of the purchase price of
26 the motor vehicle, or is taken by a person who by making an
27 advance or incurring an obligation gives value to enable the
28 purchaser to acquire rights in the motor vehicle, the name and the
29 business or residence address of the secured party or his assignee
30 shall be noted on the certificate of ownership. If the seller is a
31 licensed New Jersey motor vehicle dealer, the seller shall not be
32 required to deliver an assignment or certificate of ownership at the
33 time of sale, provided that the dealer has satisfied all liens noted on
34 the certificate of title and has the right to title as of the time of sale,
35 and provided that the dealer represents and attests to the same in a
36 writing to be delivered to the purchaser at the time of sale. Nothing
37 in this section shall apply to security interests in motor vehicles
38 which constitute inventory held for sale, but such interests shall be
39 subject to chapter 9 of Title 12A of the New Jersey Statutes; and

40 b. Notify the New Jersey Motor Vehicle Commission of the
41 sale, by completing, executing, and submitting to the commission a
42 form provided by the chief administrator. To complete the sale, the
43 purchaser shall also execute and date the form. The form shall state
44 in a clear and conspicuous manner that, in the event that the
45 purchaser does not register the vehicle, the seller may be held liable

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

Matter underlined thus is new matter.

1 as the vehicle's owner for fines, penalties, and towing and storage
2 charges if the form is not completed and submitted to the
3 commission. In addition to any information the chief administrator
4 deems appropriate, the form shall require:

5 (1) the name, address, date of birth, social security number, and
6 driver identification number, if applicable, of the seller;

7 (2) the manufacturer's vehicle identification number;

8 (3) if the vehicle was registered in this State by the seller, the
9 current or most recent registration number; and

10 (4) any of the following information known about the purchaser:

11 (a) name;

12 (b) address;

13 (c) date of birth;

14 (d) social security number; and

15 (e) driver identification number, if applicable.

16 (cf: P.L.2007, c.335, s.23)

17
18 2. (New section) The chief administrator shall develop and
19 undertake a public education campaign to inform the public of the
20 requirement to notify the commission of the sale of a vehicle as
21 required by this act and the fact that if such notification is not made,
22 the seller may be held liable as the owner of the vehicle for fines,
23 penalties, and towing and storage charges. The campaign shall
24 include posting appropriate posters or signs in all commission
25 facilities and offices and including a notice with all motor vehicle
26 registration renewals. The notices, posters, and signs shall be
27 designed by the chief administrator.

28
29 3. This act shall take effect on the first day of the seventh
30 month next following enactment, but the Chief Administrator of the
31 New Jersey Motor Vehicle Commission may take any anticipatory
32 administrative action in advance as shall be necessary for the timely
33 implementation of this act.

34 35 36 STATEMENT

37
38 This bill would require sellers of used motor vehicles to notify
39 the New Jersey Motor Vehicle Commission (MVC) of a sale by
40 completing, executing, and submitting a form provided by the chief
41 administrator. To complete the sale, the purchaser would also be
42 required to execute and date the form. The form would state in a
43 clear and conspicuous manner that, in the event that the purchaser
44 does not register the vehicle, the seller may be held liable as the
45 vehicle's owner for fines, penalties, and towing and storage charges
46 if the form is not completed and submitted to the commission. The
47 form would require the seller's relevant personal information, the
48 vehicle identification number, the current or most recent

1 registration number, and any relevant personal information known
2 about the purchaser. The chief administrator would be required to
3 develop and undertake a public education campaign concerning the
4 requirement to complete and submit this form.

5 Currently, the only notification to the MVC of a vehicle's sale
6 occurs when the purchaser presents the signed-over title in the
7 process of obtaining a new registration. However, if the purchaser
8 does not register the vehicle and proceeds to violate parking and
9 certain traffic laws or regulations, the corresponding tickets are
10 forwarded to the owner on record with the commission. Similarly,
11 if the vehicle is towed or impounded, the charges are billed to the
12 previous owner of the vehicle. This bill rectifies this problem and
13 protects sellers of used motor vehicles by providing them with a
14 separate means of notifying the MVC of the sale.