

# SENATE, No. 3279

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED DECEMBER 14, 2020

**Sponsored by:**  
**Senator VIN GOPAL**  
**District 11 (Monmouth)**

### **SYNOPSIS**

Authorizes motor vehicle dealers to sell motor vehicles online and obtain electronic signatures for motor vehicle transactions.

### **CURRENT VERSION OF TEXT**

As introduced.



1   **AN ACT** concerning the sale of motor vehicles by motor vehicle  
2       dealers, amending various parts of the statutory law, and  
3       supplementing Title 39 of the 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.39:10-2 is amended to read as follows:

9       39:10-2. As used in this chapter unless other meaning is clearly  
10      apparent from the language or context, or unless inconsistent with  
11      the manifest intention of the Legislature:

12      "New motor vehicle" means only a newly manufactured motor  
13      vehicle, except a nonconventional type motor vehicle, and includes  
14      all such vehicles propelled otherwise than by muscular power, and  
15      motorcycles, motorized bicycles, trailers and tractors, and  
16      manufactured homes not subject to real property taxation pursuant  
17      to P.L.1983, c.400 (C.54:4-1.2 et seq.), excepting such vehicles as  
18      run only upon rails or tracks and manufactured homes subject to  
19      real property taxation.

20      "Used motor vehicle" means every motor vehicle and motorized  
21      bicycle, except a nonconventional type motor vehicle, title to, or  
22      possession of, which has been transferred from the person who first  
23      acquired it from the manufacturer or dealer, and so used as to  
24      become what is commonly known as "secondhand" within the  
25      ordinary meaning thereof, and includes every motor vehicle and  
26      motorized bicycle other than a "new motor vehicle," a  
27      "nonconventional type motor vehicle" or a manufactured home  
28      subject to real property taxation.

29      "Any motor vehicle," "every motor vehicle," or similar term,  
30      means both new and used motor vehicles, except a  
31      "nonconventional type motor vehicle."

32      "Nonconventional type motor vehicle" means every vehicle not  
33      designed or used primarily for the transportation of persons or  
34      property and only incidentally operated or moved over a highway,  
35      including, but not limited to, ditch-digging apparatus, well-boring  
36      apparatus, road and general purpose construction and maintenance  
37      machinery, asphalt spreaders, bituminous mixers, bucket loaders,  
38      ditchers, leveling graders, finishing machines, motor graders, road  
39      rollers, scarifiers, earth-moving carryalls, scrapers, power shovels,  
40      drag lines, self-propelled cranes, earth-moving equipment, trailers  
41      and semitrailers which weigh less than 2,500 pounds, except that no  
42      mobile or manufactured home or travel trailer shall be classified as  
43      a nonconventional type motor vehicle, motorized wheelchairs,  
44      motorized lawn mowers, bogies, farm equipment having a factory  
45      shipping weight of less than 1,500 pounds, whether or not

**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 motorized, including farm tractors within said weight limitation,  
2 industrial tractors, scooters, go-carts, gas buggies and golf carts.  
3 The **【Director of Motor Vehicles】** Chief Administrator of the New  
4 Jersey Motor Vehicle Commission shall have power to make,  
5 amend and repeal regulations, not inconsistent with the provisions  
6 of this paragraph, prescribing what further vehicles or types of  
7 vehicles, not specified in this paragraph, shall be included in the  
8 category of nonconventional type motor vehicles.

9 "Motor vehicles which constitute inventory held for sale" means  
10 new motor vehicles and used motor vehicles held for the purpose of  
11 sale by new motor vehicle dealers and used motor vehicles held for  
12 the purpose of sale by used motor vehicle dealers, and excludes  
13 motor vehicles held for the purpose of lease or rental by a person  
14 engaged in the motor vehicle leasing or rental business.

15 "Manufacturer's or importer's certificate of origin" means the  
16 original written instrument or document required to be executed and  
17 delivered by the manufacturer to his agent or a dealer, or a person  
18 purchasing direct from the manufacturer, certifying the origin of the  
19 vehicle.

20 "Certificate of ownership" means the document issued in  
21 conformance with this chapter, certifying ownership of a motor  
22 vehicle, other than manufacturer's or importer's certificate of origin.

23 "Assignment" means the execution of a prescribed form  
24 transferring ownership of a motor vehicle from the person named  
25 therein to the purchaser.

26 "Contract" means conditional sale agreement, bailment, lease,  
27 chattel mortgage, trust receipt or any other form of security or  
28 possession agreement executed prior to January 1, 1963, wherein  
29 and whereby possession of a motor vehicle is delivered to the buyer  
30 and title therein is to vest in the buyer at a subsequent time upon the  
31 payment of part or all of the price, or upon the performance of any  
32 other condition or happening of any contingency, or upon the  
33 payment of a sum substantially equivalent to the value of the motor  
34 vehicle, by which contract it is agreed that the buyer is bound to  
35 become, or has the option of becoming, the owner of the motor  
36 vehicle upon full compliance with the terms of the contract.

37 "Abstract" means the duplicate copy of the original certificate of  
38 ownership recording any encumbrance or upon which the existence  
39 of a security interest is noted.

40 "Title papers" means any instrument or document that is  
41 evidence of ownership of a vehicle.

42 **【"Director" means the Director of Motor Vehicles, his deputy or**  
43 **duly authorized agent】**

44 "Chief Administrator" means the Chief Administrator of the  
45 New Jersey Motor Vehicle Commission.

46 "Manufacturer" means the person who originally manufactured  
47 the motor vehicle.

1       **["Dealer"** means the agent, distributor or authorized dealer of the  
2 manufacturer of the new motor vehicle, and who has an established  
3 place of business**"]**

4       "Licensee" means any person that is licensed to buy, sell or deal  
5 in, or lease motor vehicles pursuant to R.S.39:10-19.

6       "Established place of business" means a permanent, properly  
7 identified location within the State where the books, records, and  
8 files necessary to buy, sell, or deal in motor vehicles are kept and  
9 maintained, including, but not limited to, all documents required by  
10 R.S.39:10-6, title papers, manufacturers' or importers' certificates  
11 of origin, motor vehicle registration records, contracts, security  
12 agreements, all payroll records, including, but not limited to, W4  
13 and W2 records, checkbooks, ledgers for business accounts and  
14 trust accounts, corporate authorities and licenses, dealer plates,  
15 ledgers listing all issued and unissued dealer assignments, and  
16 dealer plates.

17       "New motor vehicle dealer" means the agent, distributor, or  
18 authorized dealer of the manufacturer of the new motor vehicle who  
19 has an established place of business. A new motor vehicle dealer  
20 may engage in the business of buying, selling, or dealing in used  
21 motor vehicles in this State under the provisions of this chapter.

22       "Used motor vehicle dealer" means a person engaged in the  
23 business of selling, buying or dealing in four or more used motor  
24 vehicles[, and who has] per year at an established place of  
25 business, but who is not a licensed new motor vehicle dealer. A  
26 used motor vehicle dealer shall engage only in the business of  
27 buying, selling, or dealing in used motor vehicles in this State under  
28 the provisions of this chapter and shall not engage in the business of  
29 buying, selling, or dealing in new motor vehicles in this State.

30       "Person" includes natural persons, firms or copartnerships,  
31 corporations, associations, or other artificial bodies, receivers,  
32 trustees, common law or statutory assignees, executors,  
33 administrators, sheriffs, constables, marshals, or other persons in  
34 representative or official capacity, and members, officers, agents,  
35 employees, or other representatives of those hereinbefore  
36 enumerated.

37       "Buyer" includes purchaser, debtor, lessee, bailee, transferee,  
38 and any person buying, attempting to buy, or receiving a motor  
39 vehicle subject to a security interest, lease, bailment or transfer  
40 agreement, and their legal successors in interest.

41       "Seller" means manufacturer, dealer, lessor, bailor, transferor  
42 with or without a security interest, and any other person selling,  
43 attempting to sell, or delivering a motor vehicle, and their legal  
44 successors in interest.

45       The terms "sell," [or] "sale," "buy," or "purchase" and any form  
46 thereof include absolute or voluntary sales and purchases,  
47 agreements to sell and purchase, bailments, leases, security  
48 agreements whereby any motor vehicles are sold and purchased, or

1 agreed to be sold and purchased, involuntary, statutory and judicial  
2 sales, inheritance, devise, or bequest, gift or any other form or  
3 manner of sale or agreement of sale thereof, or the giving or  
4 transferring possession of a motor vehicle to a person for a  
5 permanent use; continued possession for 60 days or more is to be  
6 construed as permanent use.

7 "Online sale" means buying, selling, or dealing in motor vehicles  
8 in this State over the Internet using electronic means.

9 "Electronic" means relating to technology having electrical,  
10 digital, magnetic, optical, electromagnetic, or similar capabilities.

11 "Manufacturer's number" means the original manufacturer's  
12 vehicle identification number die stamped upon the body, or frame,  
13 or either or both of them, of a motor vehicle or the original  
14 manufacturer's number die stamped upon the engine or motor of a  
15 motor vehicle.

16 "Purchaser" means a person who takes possession of a motor  
17 vehicle by transfer of ownership, either for use or resale, except a  
18 dealer when he takes possession through a certificate of origin.

19 "Debtor" means the person who owes payment or other  
20 performance of the obligation secured by a security interest in a  
21 motor vehicle.

22 "Security interest" means an interest in a motor vehicle which  
23 secures payment or other performance of an obligation.

24 "Security agreement" means an agreement which creates or  
25 provides for a security interest in a motor vehicle.

26 "Secured party" means a lender, seller or other person in whose  
27 favor there is a security interest.

28 "Gross vehicle weight rating" means the value specified by the  
29 manufacturer as the loaded weight of the single or combination  
30 vehicle and, if the manufacturer has not specified a value for a  
31 towed vehicle, means the value specified for the towing vehicle plus  
32 the loaded weight of the towed unit.

33 (cf: P.L.1990, c.115, s.4)

34  
35 2. R.S.39:10-19 is amended to read as follows:

36 39:10-19. No person shall engage in the business of buying,  
37 selling or dealing in motor vehicles in this State, nor shall a person  
38 engage in activity that would qualify the person as a leasing dealer,  
39 as defined in section 2 of P.L.1994, c.190 (C.56:12-61), unless: a.  
40 the person is a licensed real estate broker acting as an agent or  
41 broker in the sale of mobile homes without their own motor power  
42 other than recreation vehicles as defined in section 3 of  
43 P.L.1990, c.103 (C.39:3-10.11), or manufactured homes as defined  
44 in section 3 of P.L.1983, c.400 (C.54:4-1.4); or b. the person is  
45 authorized to do so under the provisions of this chapter and  
46 P.L.1985, c.361 (C.56:10-26 et seq.).

47 The chief administrator may, upon application in such form as  
48 the chief administrator prescribes, license any proper person as

1 **【such】** a new motor vehicle dealer, a used motor vehicle dealer or a  
2 leasing dealer. A licensed real estate broker shall be entitled to act  
3 as an agent or broker in the sale of a mobile or manufactured home  
4 as defined in subsection a. of this section without obtaining a  
5 license from the chief administrator. For the purposes of this  
6 chapter, a "licensed real estate broker" means a real estate broker  
7 licensed by the New Jersey Real Estate Commission pursuant to the  
8 provisions of chapter 15 of Title 45 of the Revised Statutes. Any  
9 sale or transfer of a mobile or manufactured home, in which a  
10 licensed real estate broker acts as a broker or agent pursuant to this  
11 section, which sale or transfer is subject to any other requirements  
12 of R.S.39:10-1 et seq., shall comply with all of those requirements.

13 No person who has been convicted of a crime, arising out of  
14 fraud or misrepresentation in the sale, leasing or financing of a  
15 motor vehicle, shall be eligible to receive a license. For the  
16 purposes of this section, each applicant for a license shall submit to  
17 the chief administrator the applicant's name, address, fingerprints,  
18 and written consent for a criminal history record background check  
19 to be performed. The chief administrator is hereby authorized to  
20 exchange fingerprint data with and receive criminal history record  
21 information from the State Bureau of Identification in the Division  
22 of State Police and the Federal Bureau of Investigation consistent  
23 with applicable State and federal laws, rules, and regulations, for  
24 purposes of facilitating determinations concerning licensure  
25 eligibility. The applicant shall bear the cost for the criminal history  
26 record background check, including all costs of administering and  
27 processing the check. The Division of State Police shall promptly  
28 notify the chief administrator in the event a current holder of a  
29 license or prospective applicant, who was the subject of a criminal  
30 history record background check pursuant to this section, is arrested  
31 for a crime or offense in this State after the date the background  
32 check was performed.

33 Each applicant for a new motor vehicle dealer license shall at the  
34 time such license is issued have established and maintained, or by  
35 that application shall agree to establish and maintain, within 90  
36 days after the issuance thereof, a place of business consisting of a  
37 permanent building not less than 1,000 square feet in floor space  
38 located in the State of New Jersey to be used principally for the  
39 servicing and display of motor vehicles with such equipment  
40 installed therein as shall be requisite for the servicing of motor  
41 vehicles in such manner as to make them comply with the laws of  
42 this State and with any rules and regulations made by the board  
43 governing the equipment, use, and operation of motor vehicles  
44 within the State. **【However, a leasing dealer, who is not engaged in**  
45 **the business of buying, selling, or dealing in motor vehicles in the**  
46 **State, shall not be required to maintain a place of business with**  
47 **floor space available for the servicing or display of motor vehicles**  
48 **or to have an exterior sign at the lessor's place of business.】**

1     Each applicant for a used motor vehicle dealer license shall at the  
2 time such license is issued maintain an established place of business  
3 consisting of a minimum office space of 72 square feet within a  
4 permanent, enclosed building located in the State of New Jersey,  
5 and where there are included or immediately contiguous, clearly  
6 identified, fixed facilities for the licensee to display at least two  
7 automobiles.

8     An established place of business of a new motor vehicle dealer  
9 or a used motor vehicle dealer shall display an exterior sign  
10 permanently affixed to the land or building, which sign is consistent  
11 with local ordinances and has letters easily readable from the major  
12 avenues of traffic. The sign shall include the dealer name or trade  
13 name, provided such trade name has been previously disclosed to  
14 the chief administrator.

15     A license fee of \$200 shall be paid by an applicant upon the  
16 applicant's initial application for a license. The chief administrator  
17 may renew an applicant's license upon application for renewal on a  
18 form prescribed by the chief administrator and accompanied by a  
19 renewal fee of \$200. Every license shall expire 24 months from the  
20 date on which it is issued. The chief administrator may, at the chief  
21 administrator's discretion and for good cause shown, extend an  
22 applicant's license for an additional period not to exceed 12 months  
23 from the date on which it is scheduled to expire. The chief  
24 administrator may, at the chief administrator's discretion and for  
25 good cause shown, issue a license which shall expire on a date fixed  
26 by the chief administrator. The fee for licenses with an expiration  
27 date fixed by the chief administrator shall be fixed by the chief  
28 administrator in an amount proportionately less or greater than the  
29 fee established herein.

30     For the purposes of this section, a leasing dealer or an assignee  
31 of a leasing dealer whose leasing activities are limited to buying  
32 motor vehicles for the purpose of leasing them and selling motor  
33 vehicles at the termination of a lease shall not be deemed to be  
34 engaged in the business of buying, selling, or dealing in motor  
35 vehicles in this State. A leasing dealer, who is not engaged in the  
36 business of buying, selling, or dealing in motor vehicles in the  
37 State, shall not be required to maintain a place of business with  
38 floor space available for the servicing or display of motor vehicles  
39 or have an exterior sign at the lessor's place of business.

40 (cf: P.L.2015, c.24, s.1)

41  
42     3. Section 1 of P.L.2005, c.351 (C.39:10-19.1) is amended to  
43 read as follows:

44     1. As used in this act:

45     "Off-site sale" means the display and sale of new or used  
46 recreational vehicles by a recreational vehicle dealer, or used motor  
47 vehicles registered in New Jersey by a used motor vehicle dealer,  
48 licensed under the provisions of R.S.39:10-19, at a location other

1 than the dealer's established place of business. An "off-site sale"  
2 includes any off-site display of vehicles at which a recreational  
3 vehicle or used motor vehicle dealer has a sales person or employee  
4 present. For the purposes of this act, "off-site sale" does not  
5 include:

6 a. An off-site display of vehicles at which a recreational  
7 vehicle or used motor vehicle dealer has no sales personnel present;

8 b. The sale of a vehicle at an auction at which only wholesale  
9 purchases are permitted; **[or]**

10 c. The use of telephones, telephone call-forwarding, email,  
11 internet websites or other internet communications which allow a  
12 licensed dealer or dealership employee to communicate with  
13 customers while either the customer or the dealer or employee  
14 thereof is not present at the licensed physical location of the  
15 dealership, provided the contract for the sale of a vehicle is  
16 finalized and the sale transaction completed at the licensed location;  
17 or

18 d. An online sale authorized pursuant to section 4 of  
19 P.L. , c. (C. ) (pending before the Legislature as this bill).

20 "Sponsoring organization" means:

21 a. a credit union, automobile club, or other such not for profit  
22 organization or entity that makes the opportunity to attend and  
23 purchase a motor vehicle at an off-site sale available to its  
24 members; or

25 b. a trade show coordinator, or other such organization, entity,  
26 or individual that makes the opportunity to attend and purchase a  
27 recreational vehicle at an off-site sale available to ticketed  
28 individuals.

29 (cf: P.L.2007, c.335, s.25)  
30

31 4. (New section) a. A licensee may conduct online sales of  
32 motor vehicles anywhere in this State in accordance with this  
33 chapter subject to the additional requirements set forth in subsection  
34 b. of this section.

35 b. In addition to meeting the requirements set forth in this  
36 chapter for engaging in the business of buying, selling, and dealing  
37 in motor vehicles in this State, licensees conducting online sales of  
38 motor vehicles in this State shall meet the following requirements:

39 (1) Licensees may keep and maintain non-physical, electronic  
40 records of online sales of motor vehicles, but the records shall be  
41 kept and maintained in a format that allows immediate inspection  
42 and examination by the chief administrator or his or her agent; and

43 (2) Licensees shall only conduct online sales of motor vehicles  
44 that constitute inventory held for sale by the licensee or a parent or  
45 affiliate thereof.  
46

47 5. (New section) Sections 5 through 8 of P.L. , c.  
48 (C. through C. ) (pending before the Legislature as this

1 bill) shall be known and may be cited as the “Motor Vehicle  
2 Transaction Modernization Act.”

3  
4 6. (New section) As used in sections 5 through 8 of P.L. , c.  
5 (C. through C. ) (pending before the Legislature as this  
6 bill):

7 “Buyer” includes a purchaser, debtor, lessee, bailee, transferee,  
8 and any person buying, attempting to buy, or receiving a motor  
9 vehicle subject to a security interest, lease, bailment or transfer  
10 agreement, or their legal successors in interest.

11 “Electronic” means relating to technology having electrical,  
12 digital, magnetic, optical, electromagnetic, or similar capabilities.

13 “Electronic signature” means an electronic symbol, sound, or  
14 process attached to, or logically associated with, a record and  
15 executed or adopted by an individual with the intent to sign the  
16 record.

17 “Licensee” means any natural person or entity that is licensed to  
18 buy, sell or deal in, on lease motor vehicles pursuant to R.S.39:10-  
19 19.

20 “Motor vehicle transaction” means any “sale,” “purchase,” or  
21 “online sale” as those terms are defined pursuant to R.S.39:10-2 or  
22 any lease as defined pursuant to section 2 of P.L.1994, c.190  
23 (C.56:12-61), conducted by a licensee.

24 “Transaction documents” means any documents required to  
25 complete the sale or lease of a motor vehicle in the State, including,  
26 but not limited to, title papers, manufacturers’ or importers’  
27 certificates of origin, contracts, security agreements, assignments,  
28 abstracts, or any other documents required by chapters 3 and 10 of  
29 Title 39 of the Revised Statutes. Transaction documents shall also  
30 include, but not be limited to, any powers of attorney granted by a  
31 buyer to a licensee for purposes of execution of any other  
32 transaction documents.

33  
34 7. (New section) a. Notwithstanding any provision of law  
35 or regulation to the contrary, during a motor vehicle transaction  
36 conducted by a licensee, the buyer and licensee may execute and  
37 acknowledge all transaction documents by electronic signature.

38 b. When executing transaction documents, an electronic  
39 signature shall be attributable to a person if it is the action of the  
40 person. The act of the person may be shown in any manner,  
41 including a showing of the efficacy of any security procedure  
42 applied to determine the person to which the electronic signature is  
43 attributable.

44 c. The effect of an electronic signature attributed to a person  
45 under subsection b. of this section shall be determined from the  
46 context and surrounding circumstances at the time of the creation,  
47 execution, or adoption of the electronic signature, including the  
48 parties’ agreement, if any, and as otherwise provided by law.

1 d. Nothing in sections 5 through 8 of P.L. , c.  
2 (C. through C. ) (pending before the Legislature as this  
3 bill) shall mandate the use of electronic signatures or require buyers  
4 and licensees to provide electronic signatures. An electronic  
5 signature shall be a valid and acceptable alternative to a traditional  
6 ink signature for the purposes of executing transaction documents.

7 e. The Chief Administrator of the New Jersey Motor Vehicle  
8 Commission shall not reject transaction documents submitted by a  
9 licensee on the basis that such documents bear electronic signatures.

10  
11 8. (New section) Notwithstanding any provision of law or  
12 regulation to the contrary, during a motor vehicle transaction  
13 conducted by a licensee, the Chief Administrator of the New Jersey  
14 Motor Vehicle Commission shall not require a notarized signature  
15 on any transaction documents.

16  
17 9. Section 1 of P.L.1999, c.149 (C.39:2-3.8) is amended to read  
18 as follows:

19 1. a. Whenever any law, rule or regulation requires or permits  
20 documents or information to be prepared by or submitted to the  
21 **【Division of Motor Vehicles in the Department of Transportation】**  
22 New Jersey Motor Vehicle Commission, the **【director】** chief  
23 administrator may permit the documents or information to be  
24 prepared by or submitted to the **【division】** commission in electronic  
25 or digital form, or processed electronically, except that the  
26 commission shall permit documents or information related to the  
27 “Motor Vehicle Transaction Modernization Act” pursuant to  
28 sections 5 through 8 of P.L. , c. (C. through C. )  
29 (pending before the Legislature as this bill) to be prepared by or  
30 submitted to the commission in electronic or digital form, or  
31 processed electronically. In no event shall an individual be required  
32 to submit documents or information only in electronic or digital  
33 form; nor shall documents or information be made available to an  
34 individual only in electronic or digital form. Submission in  
35 electronic or digital form **【may】** shall be permitted pursuant to this  
36 section notwithstanding that any law, rule or regulation requires  
37 documents or information to be written or to be submitted in  
38 writing, specifies that documents or information be signed,  
39 certified, verified or witnessed, or otherwise explicitly or implicitly  
40 requires the preparation or submission of documents or information  
41 on paper or in written form. As used in this subsection,  
42 "individual" means a natural person.

43 b. The **【director】** chief administrator, after consultation with  
44 the State Records Committee **【in the Department of State】**, shall  
45 adopt, pursuant to the "Administrative Procedure Act,"  
46 P.L.1968, c.410 (C.52:14B-1 et seq.), regulations specifying how  
47 the signature, verification, certification, witnessing or other formal

1 requirements shall be met with respect to documents or information  
2 permitted to be prepared or submitted in electronic or digital form  
3 pursuant to this section and specifying such additional safeguards as  
4 the **【director】** chief administrator deems necessary to protect the  
5 privacy, and prevent improper access to or disclosure, of any  
6 personal information as defined in section 1 of P.L.1997, c.188  
7 (C.39:2-3.3) that may be transmitted in an electronic or digital  
8 form, or processed electronically. Regulations adopted pursuant to  
9 this subsection **【may】** shall permit the use of digital signature  
10 technology for the signing of documents and other appropriate  
11 purposes. If necessary, the chief administrator may adopt  
12 regulations to implement the provisions of P.L. , c. (C. )  
13 (pending before the Legislature as this bill) not later than 60 days  
14 after the effective date of P.L. , c. (C. ) (pending before the  
15 Legislature as this bill).  
16 (cf: P.L.1999, c.149, s.1)

17  
18 10. This act shall take effect immediately.  
19  
20

## 21 STATEMENT

22  
23 This bill authorizes motor vehicle dealers to sell motor vehicles  
24 online. Further, to facilitate the online sale of motor vehicles, this  
25 bill allows the buyer and the licensed motor vehicle dealer to  
26 acknowledge all motor vehicle transaction documents by electronic  
27 signature, as a valid and acceptable alternative to a traditional ink  
28 signature. Under the bill, an off-site sale of a motor vehicle does  
29 not include an online sale of a motor vehicle that meets the  
30 requirements under the bill.

31 The bill prohibits the Chief Administrator of the New Jersey  
32 Motor Vehicle Commission (commission) from refusing to accept  
33 electronically signed transaction documents and from requiring a  
34 notarized signature of any transaction documents completed by a  
35 licensed motor vehicle dealer. The bill also requires the  
36 commission to permit the use of digital signature technology for the  
37 signing of documents and other appropriate purposes and to allow  
38 documents to be submitted in electronic form if the documents  
39 pertain to the provisions of the “Motor Vehicle Transaction  
40 Modernization Act.”

41 The bill adds certain definitions and modifies the definition of a  
42 “used motor vehicle dealer” to provide that a person meets the  
43 definition of a used motor vehicle dealer if the person engages in  
44 the business of selling, buying, or dealing in four or more used  
45 motor vehicles per year at an established place of business. The bill  
46 prohibits a used motor vehicle dealer from engaging in the business  
47 of buying, selling, or dealing in new motor vehicles in New Jersey.

1       The bill requires a used motor vehicle dealer to maintain an  
2       established place of business that meets certain requirements  
3       described in the bill. The bill also requires that the established  
4       place of business of a new motor vehicle dealer or used motor  
5       vehicle dealer display an exterior sign that meets certain  
6       requirements described in the bill.