

[First Reprint]

SENATE, No. 4246

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED DECEMBER 6, 2021

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

SYNOPSIS

Requires certain motor vehicle dealers to maintain certain requirements for business premises.

CURRENT VERSION OF TEXT

As amended by the Senate on December 20, 2021.



1 AN ACT concerning certain licensure requirements for certain motor
2 vehicle dealers and amending R.S.39:10-19.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.39:10-19 is amended to read as follows:

8 39:10-19. No person shall engage in the business of buying,
9 selling, or dealing in motor vehicles in this State, nor shall a person
10 engage in activity that would qualify the person as a leasing dealer,
11 as defined in section 2 of P.L.1994, c.190 (C.56:12-61), unless: a.
12 the person is a licensed real estate broker acting as an agent or
13 broker in the sale of mobile homes without their own motor power
14 other than recreation vehicles as defined in section 3 of P.L.1990,
15 c.103 (C.39:3-10.11), or manufactured homes as defined in section
16 3 of P.L.1983, c.400 (C.54:4-1.4); or b. the person is authorized to
17 do so under the provisions of this chapter and P.L.1985, c.361
18 (C.56:10-26 et seq.).

19 The chief administrator may, upon application in such form as
20 the chief administrator prescribes, license any proper person as
21 **【such】** a new motor vehicle dealer, used motor vehicle dealer or, a
22 leasing dealer. A licensed real estate broker shall be entitled to act
23 as an agent or broker in the sale of a mobile or manufactured home
24 as defined in subsection a. of this section without obtaining a
25 license from the chief administrator. For the purposes of this
26 chapter, a "licensed real estate broker" means a real estate broker
27 licensed by the New Jersey Real Estate Commission pursuant to the
28 provisions of chapter 15 of Title 45 of the Revised Statutes. Any
29 sale or transfer of a mobile or manufactured home, in which a
30 licensed real estate broker acts as a broker or agent pursuant to this
31 section, which sale or transfer is subject to any other requirements
32 of R.S.39:10-1 et seq., shall comply with all of those requirements.

33 No person who has been convicted of a crime, arising out of
34 fraud or misrepresentation in the sale, leasing or financing of a
35 motor vehicle, shall be eligible to receive a license. For the
36 purposes of this section, each applicant for a license shall submit to
37 the chief administrator the applicant's name, address, fingerprints,
38 and written consent for a criminal history record background check
39 to be performed. The chief administrator is hereby authorized to
40 exchange fingerprint data with and receive criminal history record
41 information from the State Bureau of Identification in the Division
42 of State Police and the Federal Bureau of Investigation consistent
43 with applicable State and federal laws, rules, and regulations, for
44 purposes of facilitating determinations concerning licensure
45 eligibility. The applicant shall bear the cost for the criminal history

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

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted December 20, 2021.

1 record background check, including all costs of administering and
2 processing the check. The Division of State Police shall promptly
3 notify the chief administrator in the event a current holder of a
4 license or prospective applicant, who was the subject of a criminal
5 history record background check pursuant to this section, is arrested
6 for a crime or offense in this State after the date the background
7 check was performed.

8 Each applicant for a new motor vehicle dealer license shall at the
9 time such license is issued have established and maintained, or by
10 that application shall agree to establish and maintain, within 90
11 days after the issuance thereof, a place of business consisting of a
12 permanent building not less than 1,000 square feet in floor space
13 located in the State of New Jersey to be used principally for the
14 servicing and display of motor vehicles with such equipment
15 installed therein as shall be requisite for the servicing of motor
16 vehicles in such manner as to make them comply with the laws of
17 this State and with any rules and regulations made by the board
18 governing the equipment, use, and operation of motor vehicles
19 within the State. However, a leasing dealer, who is not engaged in
20 the business of buying, selling, or dealing in motor vehicles in the
21 State, shall not be required to maintain a place of business with
22 floor space available for the servicing or display of motor vehicles
23 or to have an exterior sign at the lessor's place of business.

24 Any person who possesses a used motor vehicle dealer license at
25 the time of enactment of P.L. , c. (C.)(pending before the
26 Legislature as this bill) shall maintain an established place of
27 business consisting of a minimum office space of 72 square feet
28 within a permanent, enclosed building located in the State of New
29 Jersey, in addition to complying with all other applicable
30 regulations prescribed by the chief administrator.

31 Each applicant for a used motor vehicle dealer license, or any
32 licensee who relocates its place of business on or after the effective
33 date of P.L. , c. (C.)(pending before the Legislature as this
34 bill), shall meet the requirements for an established place of
35 business for a used motor vehicle dealer, which shall be established
36 by the chief administrator by regulation adopted pursuant to the
37 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
38 seq.).

39 ¹An established place of business of a new motor vehicle dealer
40 or a used motor vehicle dealer shall display an exterior sign
41 permanently affixed to the land or building, which sign is consistent
42 with local ordinances and has letters easily readable from the major
43 avenues of traffic. The sign shall include the dealer name or trade
44 name, provided such trade name has been previously disclosed to
45 the chief administrator.¹

46 A license fee of \$200 shall be paid by an applicant upon the
47 applicant's initial application for a license. The chief administrator
48 may renew an applicant's license upon application for renewal on a

1 form prescribed by the chief administrator and accompanied by a
2 renewal fee of \$200. Every license shall expire 24 months from the
3 date on which it is issued. The chief administrator may, at the chief
4 administrator's discretion and for good cause shown, extend an
5 applicant's license for an additional period not to exceed 12 months
6 from the date on which it is scheduled to expire. The chief
7 administrator may, at the chief administrator's discretion and for
8 good cause shown, issue a license which shall expire on a date fixed
9 by the chief administrator. The fee for licenses with an expiration
10 date fixed by the chief administrator shall be fixed by the chief
11 administrator in an amount proportionately less or greater than the
12 fee established herein.

13 For the purposes of this section, a leasing dealer or an assignee
14 of a leasing dealer whose leasing activities are limited to buying
15 motor vehicles for the purpose of leasing them and selling motor
16 vehicles at the termination of a lease 'to the lessee' shall not be
17 deemed to be engaged in the business of buying, selling, or dealing
18 in motor vehicles in this State. 'Provided however, that a leasing
19 dealer who wishes to engage in the business of buying, selling, or
20 dealing in motor vehicles in this State by selling any vehicle at the
21 end of the lease term to a consumer other than the lessee, shall be
22 required to obtain a used car dealer license pursuant to this section.'¹

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

24

25 2. This act shall take effect immediately.