

[(g)] (e) Certification of a motor vehicle by a [Class I, Class I-A, Class II or Class II-A] licensed private inspection facility or an employee thereof shall constitute the licensee's representation that the licensee, or a licensed emission inspector or mechanic, has inspected the motor vehicle in accordance with N.J.A.C. 13:20-33 and has determined that the motor vehicle is in proper operating condition and conforms to the inspection standards adopted by the Motor Vehicle Commission at N.J.A.C. 13:20-33 and 43 and the Department of Environmental Protection at N.J.A.C. 7:27-15 and 7:27B-5 or 7:27-14 and 7:27B-4, whichever are applicable.

[(h)] Certification of a motorcycle by a Class III licensed private inspection facility or an employee thereof shall constitute the licensee's representation that the licensee has inspected the motorcycle and has determined that the motorcycle is in proper operating condition and conforms to the inspection standards adopted by the Motor Vehicle Commission at N.J.A.C. 13:20-33.]

[(i)] (f) The fee [which] that a licensee may charge the consumer for affixing a certificate of approval shall not exceed \$2.50.

Recodify existing (j)-(k) as (g)-(h) (No change in text.)

13:20-44.18 Emission inspector

A [Class I, Class I-A, Class II and Class II-A] licensed private inspection facility shall employ an emission inspector licensed in accordance with N.J.S.A. 39:8-1 et seq. and N.J.A.C. 13:20-43.17.

SUBCHAPTER 47. AND 48. (RESERVED)

(a)

MOTOR VEHICLE COMMISSION

Licensing Service

Proposed Readoption with Amendments: N.J.A.C. 13:21

Proposed New Rules: N.J.A.C. 13:21-5.14 and 24.11

Authorized By: Motor Vehicle Commission, Raymond P. Martinez, Chairman, and Chief Administrator and, as to N.J.A.C. 13:21-19, the Motor Vehicle Franchise Committee, Raymond P. Martinez, Chairman.

Authority: N.J.S.A. 2A:17-56.51, 2A:17-56.59, 2A:17-56.60, 17:33B-45, 39:2-3, 39:2-3.8, 39:3-4, 39:3-4c, 39:3-5, 39:3-5.1, 39:3-8, 39:3-10, 39:3-10.1, 39:3-10.17a, 39:3-10.20, 39:3-10.27, 39:3-10.29, 39:3-10a, 39:3-11.1, 39:3-13, 39:3-13a, 39:3-13.1, 39:3-15.1, 39:3-20, 39:3-24, 39:3-26.1, 39:3-29.9, 39:3-30, 39:3-33, 39:3-36, 39:3-43, 39:3-84, 39:3C-1 et seq., 39:4-56.5, 39:5-30, 39:5-32, 39:10-2, 39:10-4, 39:10-6, 39:10-9, 39:10-19, 39:10-20, 39:10-37, 39:10A-6, 39:10A-15, 39:13-7, and 56:10-25; and 42 U.S.C. § 405(c)(2)(C).

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2013-062.

Submit comments by June 14, 2013 to:

Kate Tasch, Administrative Practice Officer
Regulatory and Legislative Affairs
Motor Vehicle Commission
225 East State Street
P.O. Box 162
Trenton, New Jersey 08666-0162

The agency proposal follows:

Summary

The public comment period for this notice of proposal will be 60 days, since this notice is not listed in the agency rulemaking calendar. This notice of proposal is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

The Motor Vehicle Commission (the Commission) proposes to readopt with amendments the provisions of N.J.A.C. 13:21, Licensing Service, in accordance with N.J.S.A. 52:14B-5.1 and the "sunset" and

other provisions of Executive Order No. 66 (1978). Pursuant to N.J.S.A. 52:14B-5.1.c(2), these rules expire on December 5, 2013. The Commission has reviewed these rules pursuant to the Executive Order and has found them to be necessary and required for the purpose for which they were promulgated.

N.J.A.C. 13:21 contains 24 subchapters that are briefly summarized below, together with proposed changes, additions, and deletions to various rules contained therein.

Subchapter 1 sets forth rules pertaining to the use of a person's legal name on motor vehicle documents and proof of legal name. The subchapter also contains provisions pertaining to the mandatory submission of Social Security numbers by applicants for driving permits, driver licenses, commercial driver licenses, and motor vehicle registrations; the restricted use of such Social Security numbers; and the fact that such Social Security numbers are not public records and are not accessible for public examination pursuant to the Open Public Records Act, N.J.S.A. 47:1A-1 et seq.

Subchapter 2 sets forth rules regarding the Commission's interpretation of statutory language contained in N.J.S.A. 39:3-13 (examination permits) and 39:10-2 (nonconventional type motor vehicles). Included in this subchapter are provisions that explain the basis for the Commission's statutory language interpretation; define the term "accompanied" with regard to motor vehicles and motorcycles; and pertain to nonconventional type motor vehicles.

Subchapter 3 is reserved.

Subchapter 4 sets forth rules pertaining to motor vehicle titles. The rules implement provisions of the Motor Vehicle Certificate of Ownership Law, N.J.S.A. 39:10-1 et seq., pertaining to certificates of origin and certificates of ownership. Included in this subchapter are provisions concerning the model year designation on certificates of origin; modification of the model year designation; and application for certificates of ownership for homemade vehicles.

Subchapter 5 sets forth rules pertaining to motor vehicle registrations and is primarily concerned with that subject, although it also touches upon the titling of motor vehicles. The provisions of this subchapter are intended to implement various provisions of the Motor Vehicle and Traffic Law (including N.J.S.A. 39:3-4, 39:3-5.1, 39:3-8, 39:3-30, 39:3-33, and 39:10-1 et seq.) regarding motor vehicle registration and titling. Included in this subchapter are rules pertaining to determination and certification of vehicle weight class; registration fees; registration of flood-damaged vehicles; notification of flood damage; recordation of vehicle mileage at time of change of vehicle ownership; surrender of registration plates; Commission refusal to issue vehicle registration if the applicant fails to furnish proof that the Federal Heavy Vehicle Use Tax has been paid; and nonresident temporary registrations issued by motor vehicle agencies.

N.J.A.C. 13:21-5.13, Nonresident temporary registrations issued by motor vehicle agencies, is proposed for amendment. A proposed amendment to subsection (b) brings the rule into compliance with a statutory amendment to N.J.S.A. 39:10-9 that indicates that a licensed New Jersey motor vehicle dealer is not required to deliver an assignment or certificate of ownership at the time of sale if the dealer has satisfied all liens that are noted on the certificate of ownership (title) and has the right to title at the time of sale. The dealer is required to put this information in writing and provide it to the buyer at the time of sale. The proposed amendment to subsection (e) requires copies of proofs to be retained by the motor vehicle agencies for vehicles that are subject to the Federal Heavy Vehicle Use Tax.

Recodified subsection (j) is proposed for amendment to acknowledge the fact that the Motor Vehicle Commission no longer utilizes a manual system where agency employees must write information on paper temporary registration tags. Agency employees now enter information electronically and print the temporary registration electronically. The information that is required to be on the temporary registration is essentially the same as before with two exceptions. Under the manual system, the registrant's address did not appear on the original temporary registration but it did appear on the copies because the original temporary registration was placed in the rear window. Under the electronic system, a temporary vehicle registration will be issued and it will contain the registrant's address. Under the electronic system, the temporary

registration plate will be in the rear license plate holder and it will contain a temporary registration number, which must be entered into the system.

The proposed amendment to recodified subsection (k) indicates that the nonresident temporary registration plate shall be securely attached to the license plate holder instead of the inside of the rear window. Exceptions are made for those registrants who are transferring handicap plates, which will be placed in the license plate holders and for motorcycles and motorized bicycles, if the nonresident temporary plates cannot be securely attached to the license plate holders. In those situations, the nonresident temporary registration plates shall be in the possession of the driver of the vehicle and shall be exhibited to law enforcement officers or Motor Vehicle Commission representatives, upon request.

Subsections (j), (l), and (m) are proposed for deletion because they all pertain to information being manually written on non-electronic documents. The non-electronic documents have been replaced by electronic documents where the information is entered electronically.

The Commission has proposed new N.J.A.C. 13:21-5.14, Single axle tow dolly. The proposed new rule establishes a definition for a single axle tow dolly and indicates that the motor vehicle registration requirements of New Jersey do not apply to a single axle tow dolly.

Subchapter 6 sets forth the requirements that must be met by persons over 17 years of age who are seeking to obtain an examination permit pursuant to N.J.S.A. 39:3-13 to be used for practice driving. Included in this subchapter are provisions that set forth definitions; requirements for issuance of examination permits; prerequisites for validation of examination permits; and expiration of examination permits.

Subchapter 7 sets forth rules pertaining to special learner's permits issued pursuant to N.J.S.A. 39:3-13.1 to persons at least 16 years of age but under 17 years of age who are enrolled in a course of behind-the-wheel automobile driving education approved by the New Jersey State Department of Education and conducted in a public, parochial, or private school of this State or who are taking a course of behind-the-wheel automobile driving instruction conducted by a driving school licensed by the Commission. Included in this subchapter are provisions that set forth definitions; requirements for issuance of special learner's permits; driving test appointment requirements; method of securing appointment; validation of special learner's permits; and expiration of special learner's permits.

Subchapter 8 sets forth rules pertaining to driver licensing in the State of New Jersey. The rules are intended to implement various provisions of the Motor Vehicle and Traffic Law that pertain to driver licensing (including N.J.S.A. 39:3-10, 39:3-11.1, 39:3-13, and 39:3-13.1 et seq.). Included in this subchapter are rules pertaining to definitions; age requirements; proof of identity and date of birth and proof that presence in the United States is authorized under Federal law, and the primary and secondary documents that may be submitted to the Commission as proof thereof; proof of address and various documents that may be submitted to the Commission as proof thereof; permits; physical and mental qualifications; driving privilege status; written and oral law-knowledge tests in English or a foreign language; special hearing-impaired examinations; visual acuity test standards; color perception check standards; necessity of driving (road) test; driving test maneuvers; vehicles used in driving test; accompanying driver; failure of driving test; waiver of driving test; employment and religious waivers of time restrictions for permit and provisional drivers under the age of 21; code charts; license surrender; and license suspension for failure to notify the Commission of a change of address.

N.J.A.C. 13:21-8.6, Law-knowledge tests; written; English language; foreign language, is proposed for amendment. Proposed new subsection (h) indicates that law-knowledge test results expire two years from the date of the test.

Subchapter 9 sets forth rules pertaining to driver license and motor vehicle registration renewals and restorations, including rules that facilitate the renewal of registrations for certain motor vehicles by use of a telephone or through the Internet. This subchapter also contains a rule that reflects a statutory provision (N.J.S.A. 39:3-10a) that mandates the payment of a restoration fee to the Commission for the restoration of any license that has been suspended or revoked by reason of the licensee's violation of any law or regulation; and that requires the payment of a

restoration fee to the Commission for the restoration of vehicle registrations that have been suspended or revoked by reason of the registrant's violation of any law. With regard to the subject of the renewal of registrations for certain motor vehicles by use of a telephone or through the internet, this subchapter contains rules pertaining to definitions; application for renewal of vehicle registration in electronic or digital form; content of application; signature; false entry; identification of insurance carrier and policy number; verification of current mailing address; submission of Social Security number; inability or refusal to provide all information requested; automatic extension of prior registration for timely renewal by mail, telephone or through the Internet; protection of personal information; applicant survey; non-waiver of privacy protections; and electronic records, applicable rules, and minimum standards.

Subchapter 10 consists of a rule that pertains to junk title certificates.

Subchapter 11 is reserved.

Subchapter 12 sets forth rules pertaining to various farm vehicles that are registered in this State. Included in this subchapter are provisions concerning the hours and distance of travel of such vehicles; visibility requirements; speed limitations; and certain equipment requirements.

Subchapter 13 sets forth the requirements for the vehicular transportation of migrant farm workers in New Jersey. Included in this subchapter are rules concerning definitions; basic driver qualifications; vehicular equipment and insurance requirements; and penalties for noncompliance.

Subchapter 14 sets forth rules pertaining to the licensing of bus drivers (holders of commercial driver licenses with passenger endorsements) and implements N.J.S.A. 39:3-10.1, which is concerned with that subject. Persons who drive buses no longer use bus driver licenses; they use commercial driver licenses with passenger endorsements. This subchapter should be read in conjunction with the "New Jersey Commercial Driver License Act" (P.L. 1990, c. 103), as amended and supplemented, which has impacted upon it to a great extent. Included in this subchapter are rules concerning definitions; passenger endorsement regulations; and release of application information.

N.J.A.C. 13:21-14.5, Passenger endorsement regulations, is proposed for amendment. Subsection (c) is proposed for amendment to substitute the word "passenger endorsement" for "license." This is a technical amendment for accuracy and consistency. The term "license" as used here referred to a "bus driver license," another term that has previously been replaced throughout this subchapter with the term "passenger endorsement."

Paragraph (c)6 requires holders of passenger endorsements to submit proof of continuing physical fitness, good character, and driver experience every 24 months. The proposed amendment to this paragraph requires more frequent proof of continuing physical fitness to be submitted in cases where a licensed physician indicates that the physician's medical report is valid for a shorter period of time. It also indicates that failure to meet the medical and physical requirements for a passenger endorsement subjects the applicant or holder of a passenger endorsement to a denial, revocation, or suspension of the individual's underlying commercial driver license (CDL), as well as the individual's passenger endorsement. This proposed amendment reflects existing Motor Vehicle Commission procedure.

Paragraph (c)11 indicates that the Motor Vehicle Commission may not issue a passenger endorsement to an applicant, or may revoke or suspend the passenger endorsement of an individual, who fails to meet the Federal Motor Carrier Safety Administration's medical and physical qualifications. The proposed amendment also extends the denial, revocation, or suspension to the underlying commercial driver (CDL) license. This amendment reflects existing Motor Vehicle Commission procedure.

Subchapter 15 sets forth rules pertaining to the licensing of motor vehicle dealers in the State of New Jersey. These rules implement N.J.S.A. 39:10-19 and 39:10-20, provisions of the Motor Vehicle and Traffic Law that pertain to the licensing of motor vehicle dealers. Included in this subchapter are general dealer license application provisions; provisions detailing what constitutes a "proper person" for purposes of licensure and requiring an established place of business; the various grounds upon which a motor vehicle dealer license may be

denied, revoked, or suspended; the opportunity for a hearing with respect to an applicant or licensee confronted by a proposed denial, revocation, or suspension of a dealer license; a provision prohibiting any licensed motor vehicle dealer from presenting or reassigning an altered title document and providing for suspension of the dealer license for such an offense; the written notice that must be given by a motor vehicle dealer to the purchaser of a used passenger motor vehicle to be registered in this State of the dealer's responsibilities under N.J.S.A. 39:10-26 through 39:10-30, inclusive, including the presentation of such vehicle for inspection in connection therewith, and providing for suspension or revocation of the dealer license for violation of the rule; and provisions concerning the issuance of temporary registrations and nonresident temporary registrations by licensed motor vehicle dealers.

N.J.A.C. 13:21-15.2, Application, is proposed for amendment. Subsection (k) requires applicants for motor vehicle dealer licenses to submit current color passport-type photographs of the owner-applicant or of all partners, members, officers, directors, or shareholders with a controlling interest, of the dealership entity. The proposed amendment extends this requirement, so that current color passport-type photographs need to be submitted for all authorized signatories of the dealership entity.

N.J.A.C. 13:21-15.4, Established place of business, is proposed for amendment. Subsection (g) is amended to indicate that licensed New Jersey motor vehicle dealers may keep records in either paper or electronic format.

N.J.A.C. 13:21-15.6, Transfer of ownership without title; presentation or reassignment of altered title documents; suspension; period of suspension; refusal to renew license, is proposed for amendment. Subsection (b) states that no motor vehicle dealer or person acting on behalf of the motor vehicle dealer shall buy, sell, or deal in any motor vehicle in the absence of a valid title at the time of the transaction, except for abandoned vehicles and, as provided by statute, for junk vehicles. The proposed amendment to this subsection acknowledges two additional exceptions that have been created by statute. Those additional exceptions are: 1. When the New Jersey licensed motor vehicle dealer can provide a writing signed by the person or persons who delivered possession of the motor vehicle to the dealer and assigning to the dealer the right to title and/or possession of the vehicle. In the case of a new motor vehicle, a copy of the manufacturer's certificate of origin is acceptable; and 2. A licensed New Jersey motor vehicle dealer is not required to deliver an assignment or certificate of ownership at the time of sale if the dealer has satisfied all liens that are noted on the certificate of title and has the right to title at the time that the sale occurs. The dealer must attest to this in a writing provided to the purchaser at the time of sale. This does not apply to security interests in motor vehicles that constitute inventory held for sale.

N.J.A.C. 13:21-15.9, Temporary registrations issued by licensed motor vehicle dealers for vehicles that are to be permanently registered in New Jersey, is proposed for amendment.

Subsection (b) states that a temporary registration shall not be issued if the motor vehicle dealer does not have in its possession a valid manufacturers' statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle. The proposed amendment to this subsection acknowledges two exceptions that have been created by statute. Those exceptions are: 1. When the New Jersey licensed motor vehicle dealer can provide a writing signed by the person or persons who delivered possession of the motor vehicle to the dealer and assigning to the dealer the right to title and/or possession of the vehicle. In the case of a new motor vehicle, a copy of the manufacturer's certificate of origin is acceptable; and 2. A licensed New Jersey motor vehicle dealer is not required to deliver an assignment or certificate of ownership at the time of sale if the dealer has satisfied all liens that are noted on the certificate of title and has the right to title at the time that the sale occurs. The dealer must attest to this in a writing provided to the purchaser at the time of sale. This does not apply to security interests in motor vehicles that constitute inventory held for sale.

Subsection (d), which requires motor vehicle dealers to retain proof of insurance coverage documents with the dealer copy of the temporary registration is proposed for amendment to eliminate the requirement to retain the dealer copy of the temporary registration and to indicate that

proof of insurance coverage documents only need to be retained for three years. The electronic temporary registration system eliminates the need for the dealer copy to be retained by the dealership. The proposed amendment to subsection (e) requires copies of proofs to be retained by the dealerships for vehicles that are subject to Federal Heavy Vehicle Use Tax. Subsection (f) is proposed for amendment to change the expiration date of a temporary registration from 20 days after issuance to 30 days after issuance. This reflects current Commission practice.

A proposed amendment to subsection (g) allows for the issuance of a second temporary registration, which shall be valid for 30 days beyond the expiration of the original temporary registration in situations where the original title is lost or the lien holder has not provided the original title in a timely manner.

Subsection (i) is proposed for amendment to require licensed motor vehicle dealers to purchase temporary registrations from approved vendors listed on the Motor Vehicle Commission's website because they can no longer be purchased at motor vehicle agencies. This amendment reflects the Commission's current practice.

Subsection (j) is proposed for deletion and replaced with a new subsection that requires a temporary registration to be issued through the motor vehicle dealer's own account and to be printed on a laser jet printer. Subsection (k) is proposed for amendment to acknowledge the fact that the Motor Vehicle Commission no longer utilizes a manual system where agency employees must write information on paper temporary registration tags. Instead, agency employees now enter information electronically and print the temporary registration electronically. The information that is required to be on the temporary registration is essentially the same as before with a few exceptions. Under the manual system, the registrant's address did not appear on the original temporary registration but it did appear on the copies because the original temporary registration was placed in the rear window. Under the electronic system, a temporary vehicle registration is issued and it contains the registrant's address. The motor vehicle dealer's address and telephone number are no longer required information. Under the electronic system, the temporary registration plate is placed in the rear license plate holder and it contains a temporary registration number, which is now required information that must be entered into the system.

Subsections (l), (m), and (n) are proposed for deletion because they all pertain to information being manually written on non-electronic documents. The non-electronic documents have been replaced by electronic documents where the information is entered electronically.

Recodified subsection (l) is amended to require the motor vehicle dealer or authorized signatory to attach the temporary registration plate to the rear license plate holder of the vehicle instead of the inside of the rear window. Exceptions are made for those registrants who are transferring handicap plates that will be placed in the license plate holders and for motorcycles and motorized bicycles, if the temporary plates cannot be securely attached to the license plate holders. In those situations, the temporary registration plates shall be in the possession of the driver of the vehicle and shall be exhibited to law enforcement officers or Motor Vehicle Commission representatives, upon request.

The proposed amendment to recodified subsection (m) reflects changes in terminology relating to a new electronic system replacing a manual system. The "customer copy" of the temporary registration is now the "temporary vehicle registration" portion of the temporary registration.

Subsection (q) is proposed for deletion because there is no longer a "Commission copy" of the temporary registration since the new electronic system replaced the manual system.

The proposed amendments to recodified subsection (n) reflect the changeover from issuing temporary registrations manually to issuing them electronically. Although there is still a "dealer copy" of the temporary registration under the electronic system, it is no longer required to be kept by the dealer in hard copy form. The amendments also require unused and voided temporary registrations to be kept by the dealer for three years from the issue date or void date and for the unused or voided temporary registrations to be made available for examination by authorized representatives of the Commission during regular business hours.

Proposed new subsection (q) requires motor vehicle dealers to print temporary registrations using a method and type of paper stock set forth

in subsections (i) and (j). Proposed new subsection (r) requires a police report to be obtained and maintained for three years from the date a duplicate temporary registration is issued when a duplicate temporary registration is issued due to the theft of the original temporary registration. Proposed new subsection (s) pertains to situations in which a duplicate temporary registration is issued because there was a malfunction in the printing process. It requires evidence of the malfunction to be documented and retained in the sales file for three years from the date the duplicate temporary registration is issued.

N.J.A.C. 13:21-15.10, Nonresident temporary registrations issued by licensed motor vehicle dealers, is proposed for amendment. Subsection (b) states that a nonresident temporary registration shall not be issued if the motor vehicle dealer does not have in its possession a valid manufacturer's statement of origin or title for the vehicle and, if applicable, a valid dealer reassignment certificate for the vehicle. The proposed amendment to this subsection acknowledges two exceptions that have been created by statute. Those exceptions are: 1. When the New Jersey licensed motor vehicle dealer can provide a writing signed by the person or persons who delivered possession of the motor vehicle to the dealer and assigning to the dealer the right to title and/or possession of the vehicle. In the case of a new motor vehicle, a copy of the manufacturer's certificate of origin is acceptable; and 2. A licensed New Jersey motor vehicle dealer is not required to deliver an assignment or certificate of ownership at the time of sale if the dealer has satisfied all liens that are noted on the certificate of title and has the right to title at the time that the sale occurs. The dealer must attest to this in a writing provided to the purchaser at the time of sale. This does not apply to security interests in motor vehicles that constitute inventory held for sale.

Subsection (c) is amended to require motor vehicle dealers to retain, for three years, copies of the documents that applicants for nonresident temporary registrations submit to prove that they are nonresidents. Subsection (d), which requires motor vehicle dealers to retain proof of insurance coverage documents with the dealer copy of the nonresident temporary registration is proposed for amendment to eliminate the requirement to retain the dealer copy of the nonresident temporary registration and to indicate that insurance coverage documents only need to be retained for three years. The electronic temporary registration system eliminates the need for the dealer copy to be retained by the dealership. The proposed amendment to subsection (e) requires motor vehicle dealers to retain proofs for vehicles that are subject to Federal Heavy Vehicle Use Tax.

Subsection (i) is proposed for amendment to require licensed motor vehicle dealers to purchase nonresident temporary registrations from approved vendors listed on the Motor Vehicle Commission's website because they can no longer be purchased at motor vehicle agencies. This amendment reflects the Commission's current practice. Subsection (j) is proposed for deletion and replaced with a new subsection that requires a nonresident temporary registration to be issued through the motor vehicle dealer's own account and to be printed on a laser jet printer.

Subsection (k) is proposed for amendment to acknowledge the fact that the Motor Vehicle Commission no longer utilizes a manual system where agency employees must write information on paper nonresident temporary registration tags. Instead, agency employees now enter information electronically and print the nonresident temporary registration electronically. The information that is required to be on the nonresident temporary registration is essentially the same as before with a few exceptions. Under the manual system, the registrant's address did not appear on the original nonresident temporary registration but it did appear on the copies because the original temporary registration was placed in the rear window. Under the electronic system, a nonresident temporary vehicle registration is issued and it contains the registrant's address. The motor vehicle dealer's address and telephone number are no longer required information. Under the electronic system, the temporary registration plate is placed in the rear license plate holder and it contains a temporary registration number, which is now required information that must be entered into the system.

Subsections (l), (m), and (n) are proposed for deletion because they all pertain to information being manually written on non-electronic documents. The non-electronic documents have been replaced by electronic documents where the information is entered electronically. Recodified subsection (l), is proposed for amendment to require the

motor vehicle dealer or authorized signatory to attach the nonresident temporary registration plate to the rear license plate holder of the vehicle instead of the inside of the rear window. Exceptions are made for those registrants who are transferring handicap plates that will be placed in the license plate holders and for motorcycles and motorized bicycles, if the nonresident temporary plates cannot be securely attached to the license plate holders. In those situations, the nonresident temporary registration plates shall be in the possession of the driver of the vehicle and shall be exhibited to law enforcement officers or Motor Vehicle Commission representatives, upon request.

Subsection (p) is proposed for deletion because there is no longer a "Commission copy" of the temporary registration, since the new electronic system replaced the manual system. The proposed amendments to recodified subsection (m) reflect the changeover from issuing nonresident temporary registrations manually to issuing them electronically. Although there is still a "dealer copy" of the nonresident temporary registration under the electronic system, it is no longer required to be kept by the dealer in hard copy form. The amendments also require unused and voided nonresident temporary registrations to be kept by the dealer for three years from the issue date or void date and to be made available for examination by authorized representatives of the Commission during regular business hours.

Proposed new subsection (p) requires motor vehicle dealers to print nonresident temporary registrations using a method and type of paper stock as set forth in subsections (i) and (j). Proposed new subsection (q) requires a police report to be obtained and maintained for three years from the date a duplicate nonresident temporary registration is issued when a duplicate nonresident temporary registration is issued due to the theft of the original nonresident temporary registration. Proposed new subsection (r) pertains to situations in which a duplicate nonresident temporary registration is issued because there was a malfunction in the printing process. It requires evidence of the malfunction to be documented and retained in the sales file for three years from the date the duplicate nonresident temporary registration is issued.

N.J.A.C. 13:21-15.11, Dealer plates, is proposed for amendment. The proposed amendment to subsection (a) requires all dealer plates to be accounted for in either an electronic or written record. This gives dealers the option of using electronic or written records. Subsection (b) is proposed for amendment to indicate that the electronic or written record must be maintained for at least three years and updated as dealer plates are assigned. The proposed amendment to subsection (c) changes the requirement of making a log or ledger available upon the demand of the Motor Vehicle Commission to a requirement of producing the electronic or written records upon the demand of the Motor Vehicle Commission. A technical amendment is proposed to subsection (d) to change "other wise" to "otherwise."

N.J.A.C. 13:21-15.12, New motor vehicle inspection stickers, is proposed for amendment. "New motor vehicle dealer inspection stickers" is substituted for "new motor vehicle inspection stickers." The proposed amendment to subsection (a) requires that all new motor vehicle dealer inspection stickers shall be accounted for in an electronic or written record. Subsection (e) is proposed for amendment to change the requirement of producing a log or ledger to account for new motor vehicle inspection stickers to a requirement of producing an electronic or written record upon the demand of the Motor Vehicle Commission. Proposed new subsection (f) requires a motor vehicle dealer to retain a completed pre-delivery checklist for each sticker issued for at least five years from the date of the pre-delivery inspection, and includes what the checklist must indicate.

N.J.A.C. 13:21-15.14, Hearings, is proposed for amendment. The proposed amendment at subsection (f) clarifies and emphasizes that a motor vehicle dealer only has 25 days to respond to a Notice of Proposed Disciplinary Action. The 25-day period is not changing; it is just being codified in regulation.

Subchapter 16 sets forth rules pertaining to the issuance of identification cards for nondrivers pursuant to N.J.S.A. 39:3-29.2 et seq. Included in this subchapter are rules pertaining to definitions; requirements for issuance of nondriver identification cards; and nondriver identification card class codes.

Subchapter 17 sets forth rules pertaining to special road crossing permits issued by the Commission in accordance with N.J.S.A. 39:3-26.1.

Included in this subchapter are provisions concerning permit applications and fees; restrictions; warning signs; width of crossing zone; speed; applicability of laws; and penalties.

Subchapter 18 sets forth rules pertaining to snowmobile registrations issued by the Commission in accordance with N.J.S.A. 39:3C-1 et seq. Included in this subchapter are rules concerning proof of ownership; sales tax; proof of insurance; registration certificates; registration numbers; transfer of ownership; and renewal of registration certificates.

Subchapter 19 contains Motor Vehicle Franchise Committee (Committee) rules that have been promulgated by the Committee in accordance with N.J.S.A. 56:10-25. The Chief Administrator of the Motor Vehicle Commission, as statutory successor to the former Director of the Division of Motor Vehicles, is the statutory chairman of the Motor Vehicle Franchise Committee. See N.J.S.A. 56:10-17. Included in this subchapter are rules concerning service of the notice of intent by a motor vehicle franchisor; failure of a franchisor to provide actual notice; service of a protest by a protesting franchisee; service of responsive pleadings to a protest; the filing of required papers; denial, suspension, or revocation of a motor vehicle dealer license due to failure to comply with a final determination issued by the Motor Vehicle Franchise Committee; and hearing costs, including the requirement that each party deposit \$1,500 with the Committee to cover the costs of the hearing.

Subchapter 20 sets forth rules pertaining to motor home title certificates. The rules implement the provisions of the Motor Vehicle Certificate of Ownership Law, N.J.S.A. 39:10-1 et seq., with regard to the issuance of certificates of origin and certificates of ownership for motor homes. Included in this subchapter are provisions pertaining to definitions; the assignment and affixation of a vehicle identification number; certificates of origin; the transfer of ownership of new motor homes; and certificates of ownership for used motor vehicles converted into motor homes.

Subchapter 21 sets forth rules pertaining to the licensing and regulation of auto body repair facilities by the Commission pursuant to N.J.S.A. 39:13-1 et seq. Included in this subchapter are rules concerning the purpose of these provisions; scope; license classes; definitions; license applicant qualifications; application procedures; application and license fees; license renewals; license surrender; responsibility of licensees; estimate and repair requirements; repair authorization requirements; notice and recordkeeping requirements; advertising requirements; storage rates; the various grounds upon which the Chief Administrator may impose a civil penalty or deny, suspend, or revoke an auto body repair facility license; additional penalties; investigations; notice of proposed license suspension or revocation; hearing requests by licensees; hearing procedures; and collection of a \$100.00 license restoration fee by the Commission as a prerequisite to restoration of a suspended or revoked license.

Subchapter 22 sets forth rules pertaining to the issuance of salvage certificates of title by the Commission pursuant to N.J.S.A. 39:10-31 et seq. Included in this subchapter are rules concerning the purpose of these provisions; definitions; issuance of salvage titles; salvage title fees; subsequent transfer of salvage motor vehicles; salvage motor vehicle registration preclusion; inspection of salvage motor vehicles that are subsequently reconstructed, rebuilt, or repaired; inspection of stolen motor vehicles recovered with damaged or missing vehicle identification numbers; inspection of stolen motor vehicles recovered without damaged or missing vehicle identification numbers and without damage sufficient to be rendered economically impractical to repair; inspection appointments and fees; temporary registration for salvage motor vehicles; grounds for failing inspection; seizure of salvage motor vehicles; issuance of titles without a salvage designation; issuance of titles with a salvage designation; penalties; notice of proposed license suspension or revocation; hearing requests; and hearing procedures.

Subchapter 23 sets forth rules pertaining to commercial driver licensing in accordance with the provisions of the New Jersey Commercial Driver License Act, P.L. 1990, c. 103, and the Federal Commercial Motor Vehicle Safety Act of 1986, Pub. L. 99-570 (49 U.S.C. §§ 2701 et seq.). Included in this subchapter are rules concerning definitions; commercial driver license (CDL) initial and renewal application procedures; CDL driver testing requirements; examination permits; fees; commercial motor vehicle (CMV) groups; relation between

vehicle classes; CDL endorsements and testing requirements; air brake restrictions; required knowledge and skills; requirements for double/triple trailers endorsement; requirements for passenger endorsement; requirements for tank vehicle endorsement; requirements for hazardous materials endorsement; requirements for a school bus endorsement; minimum passing test scores; third-party testing; information on the CDL document; CDL tamperproofing requirements; duplicate CDL; change of legal name or address; application for corrected CDL; guidelines and conditions under which certain suspensions or revocations of CMV driving privileges for life may be reduced to a period of not less than 10 years; ineligibility for reduction of lifetime revocation; driver rehabilitation program; application to another jurisdiction for restoration of CMV driving privileges; interrelationship between basic driver's license and CDL relative to suspension of driving privileges; rules of general application; and display of gross vehicle weight rating not required on firefighting apparatus, ambulances, first aid, and rescue vehicles.

N.J.A.C. 13:21-23.1, which contains definitions of words and terms used in Subchapter 23 is proposed for amendment. The proposed amendments add two additional offenses that are defined as serious traffic violations while driving a commercial motor vehicle. The additional serious traffic violations are violating a State or local law or ordinance on motor vehicle traffic control prohibiting texting while driving and violating a State or local law or ordinance on motor vehicle traffic control prohibiting hand-held mobile telephone use while driving. Definitions for "mobile telephone," "texting," and "use of hand-held mobile telephone" have also been included in the definition section. These amendments are required, so that the definition of serious traffic violation as set forth in New Jersey's commercial motor vehicle rules will mirror the definition of serious traffic violation as set forth in the Federal Commercial Motor Carrier Vehicle Safety Act of 1986, 49 U.S.C. §§ 2701 et seq. The definition section is further amended to include a definition of "medical examiner." Medical examinations conducted prior to May 21, 2014 may be performed by certain medical professionals set forth in the definition. Medical examinations that are conducted on and after May 21, 2014, may only be performed by a medical examiner certified by the Federal Motor Carrier Safety Administration. This amendment is necessary to notify CDL drivers that their necessary medical examination certifications performed on and after May 21, 2014, will only be valid if performed by a medical examiner certified by the Federal Motor Carrier Safety Administration.

N.J.A.C. 13:21-23.2, Driver application procedures; initial; examination permit; transfer from another state; renewal; upgrade; endorsements; form; fee; legal name defined, is proposed for amendment. The proposed amendments at paragraph (a)6 codify that the CDL examination permit must be surrendered when an applicant upgrades to the CDL, which is the Commission's current procedure. Proposed new paragraph (d)5 states that when renewing a CDL, the applicant must surrender his or her current CDL. Currently, the Commission does not require a renewing CDL driver to surrender his or her old CDL but punches holes in the old CDL. The rule amending surrender requirements are necessary to prevent fraud in the form of CDL holders possessing more than one document. Proposed new subsection (g) codifies that a CDL examination permit is valid for 180 days and may be renewed once for 180 days. These amendments are required to ensure New Jersey's commercial driver licensing rules are compliant with the new rules and regulation promulgated by the Federal Government under the Federal Commercial Motor Vehicle Safety Act of 1986.

N.J.A.C. 13:21-23.3, Driver testing and licensing; initial licenses; license transfers; renewals; upgrades; issuance; penalties for false information; reciprocity is proposed for amendment. The heading is amended to include penalties for a CDL holder convicted of fraud and penalties for receipt of credible information of fraud in obtaining a CDL. Proposed new subsection (g) disqualifies a CDL or CDL permit if a driver is convicted of fraud in obtaining the CDL. The driver is not allowed to reapply for his or her CDL for one full year. To reapply for his or her CDL, the driver must follow the State's procedures applicable to all CDL applicants. New subsection (h) allows for retesting if the Commission receives credible information, but not a conviction, that a CDL or CDL permit was obtained through fraud. The CDL driver is

notified of the requirement to retest. If the driver fails to retest or fails the skills or knowledge test, his or her CDL privileges will be disqualified. To reapply for his or her CDL, the driver must follow the State's procedures applicable to all CDL holders. This new subsection is necessary to disqualify a driver's CDL privileges when that driver may not be qualified to operate a CMV but manages to obtain a CDL through fraud. The new rule allows the Commission to require a new skills test for a CDL holder, after the Commission receives credible evidence, that a CDL driver may not be qualified to operate a CMV because the driver's skills testing was administered by an unqualified third party.

N.J.A.C. 13:21-23.7, Air brake restrictions, is proposed for amendment. The proposed amendment at subsection (a) requires the air brake restriction to also be placed on the CDL examination permit. The amendment is required to ensure New Jersey's commercial driving licensing rules are compliant with the new rules and regulations promulgated by the Federal Government under the Federal Commercial Motor Vehicle Safety Act of 1986.

N.J.A.C. 13:21-23.10, Required skills; control skills; safe driving skills; air brake skills; test area; simulation, is proposed for amendment. The heading is proposed for amendment to allow out-of-State skills testing and a time requirement between knowledge test and skills test. New subsection (e) provides that the Commission must now accept a skills test administered to the applicant by another state even if the state allows for third-party testing. The amendment is necessary because all CDL applicants' skill testing is administered by the Commission and the Commission does not allow for third-party testing. Proposed new subsection (f) codifies the Commission process that a CDL examination permit holder must wait 14 days after passing the knowledge test before taking the skills test or if the applicant fails the skills test to retest in order to obtain his or her CDL. These amendments are required to ensure New Jersey's commercial driver licensing rules are compliant with the new rules and regulations promulgated by the Federal Government under the Federal Commercial Motor Vehicle Safety Act of 1986.

N.J.A.C. 13:21-23.17, Third-party testing; proof of testing, is proposed for amendment. Proposed new subparagraph (a)2vi requires third-party testers to post a bond in an amount sufficient to re-test drivers in the event that the third-party tester or its examiners are involved in fraudulent activities conducting skills testing for CDL applicants. The Commission does not allow third-party CDL skills testing but the rules provide the Commission with authority to institute third-party testing. The amendment is necessary to ensure that drivers who must undergo retesting and the State which incurs expenses to re-test drivers because of fraudulent third-party testers will be reimbursed.

N.J.A.C. 13:21-23.19, Information on the document and application, is proposed for amendment. The amendment clarifies that the CDL permit will display "CDL permit" on the permit's face. Proposed new subparagraphs (a)10v through viii provide for four additional CDL restrictions: Z for no full air brake equipped CMV, E for no manual transmission equipped CMV, K for intrastate only, and V for medical variance. Existing subparagraph (a)10v, P for passenger endorsement restricted to school bus capacity of 15 or less, is proposed for deletion. The regulation has become unnecessary because any school bus driver must now obtain a CDL with a school bus endorsement. Proposed new paragraph (a)11 sets forth the endorsements that are permitted for a CDL examination permit, which are: P for passenger endorsement prohibiting operating a CMV carrying passengers, S for school bus endorsement prohibiting operating a school bus with passengers, and N for tank vehicle which may only operate an empty tank vehicle and is prohibited from operating any vehicle that previously contained hazardous materials that has not been purged. Proposed new paragraph (a)12 adds the restrictions that are to be placed on CDL examination permits, which are: P for no passengers, X for no cargo (in a CMV tank vehicle), L for no air brake, V for medical variance, M for no Class A passenger vehicle, N for no Class A and B passenger vehicle, and K for intrastate only. A proposed amendment deletes subsection (b), requiring that the air brake restriction be indicated on the license due to the fact that the requirement is already set forth in N.J.A.C. 13:21-23.7(a). A proposed amendment also deletes subsection (c), requiring that a small vehicle CDL restricted to the operations of vehicles, including school buses, designed to transport not more than 15 people was removed as no longer necessary as

all school bus drivers must obtain a CDL with a school bus endorsement. The proposed amendment to recodified subsection (b) states that an applicant for a CDL examination permit must also provide his or her Social Security number on the application. Finally there are technical changes proposed throughout the section. These amendments are necessary to codify the Commission's current operations for processing CDL and CDL examination permit applications. The rule also codifies the endorsements and restrictions applicable to CDL examination permits as set forth in the Federal rules and regulations found at 49 CFR 383.153. The amendments proposed to this section are required to ensure New Jersey's commercial driver licensing rules are compliant with the new rules and regulations promulgated by the Federal Government under the Federal Commercial Motor Vehicle Safety Act of 1986.

N.J.A.C. 13:21-23.20, Tamperproofing requirements, is proposed for amendment. A technical amendment is proposed to the heading and the section is amended to require the CDL examination permit to be tamperproof. This amendment is necessary to ensure New Jersey's commercial driver licensing rules are compliant with the new rules and regulations promulgated by the Federal Government under the Federal Commercial Motor Vehicle Safety Act of 1986.

N.J.A.C. 13:21-23.28, Interrelationship between basic driver's license and CDL relative to suspension of driving privileges; rules of general application; specialized cases under the New Jersey Commercial Driver Licensing Act, is proposed for amendment. The heading is amended to include a new requirement that all CDL holders must have a current medical examiner's certification. Presently, all CDL holders are required to have a current, not expired, medical certification documenting that a driver meets the physical qualifications to operate a CMV. These medical certifications are kept by the driver on his or her person. Proposed new subsection (l) requires that a CDL driver submit to the Commission his or her current medical certification and an updated medical certification must be submitted every 24 month unless a medical examiner specifies a shorter period of time. Additionally information from the medical certification is to be posted on the driver's CDLIS driving record along with a "certified" status. The Commission must post a "not-certified" status to the driver's CDLIS driving record within 10 days of the expiration of the driver's medical certification. The Commission must also downgrade the driver's CDL to a basic driver's license within 40 days of the driver's "not-certified" status until the driver submits a current medical examiner's certification. This new subsection is necessary to prevent medically unqualified drivers from operating CMVs. This subsection assists the Commission and law enforcement to identify CDL holders who are unable to obtain medical certification and take action to downgrade those drivers' CDLs. The new subsection is necessary to ensure New Jersey's commercial driver licensing rules are compliant with the new rules and regulations promulgated by the Federal Government under the Federal Commercial Motor Vehicle Safety Act of 1986.

Subchapter 24 sets forth rules pertaining to defensive driving courses pursuant to N.J.S.A. 17:33B-45. Included in this subchapter are rules pertaining to definitions; motor vehicle point reduction and computation of same; sponsoring agency qualifications; instructor qualification and training; course curriculum, content, and scope; class size; classroom facilities; student records; certification of course completion; suspension or revocation of sponsoring agency's approved status; voluntary nature of course; fees; and affiliates.

N.J.A.C. 13:21-24.1, Definitions, is proposed for amendment. A definition of the term "affiliate" is proposed for addition. The definitions of "approved motor vehicle defensive driving course" is proposed for amendment to include allowing courses using the DVD/video format and eliminating the requirement that the course has been determined to meet or exceed the National Safety Council's defensive driving course standards. The definition of "security mechanisms" is proposed for amendment to reference DVD/video as an additional means of taking an approved defensive driving course and proficiency examination.

N.J.A.C. 13:21-24.3, Sponsoring agency qualifications, is proposed for amendment. The amendments at paragraph (a)5 and subsection (c) and new paragraph (a)6 specify the qualifications and requirements that are necessary for sponsoring agencies to deliver courses through a DVD/video format and delete paragraph (a)2, the requirement that the

sponsoring agency demonstrate that its defensive driver course meets or exceeds the National Safety Council's defensive driving course standards.

N.J.A.C. 13:21-24.4, Instructor qualification; training, is proposed for amendment at subsection (b) to make it applicable to sponsoring agencies who deliver courses through a DVD/video format.

N.J.A.C. 13:21-24.5, Course curriculum: length; content; scope; class size, is proposed for amendment at subsection (c) and paragraph (c)8 to make it applicable to sponsoring agencies who deliver courses through a DVD/video format.

Proposed new N.J.A.C. 13:21-24.11, Affiliates, lists the requirements and responsibilities of sponsoring agencies that utilize or allow affiliates to offer the sponsoring agency's course or courses. Proposed new subsection (a) requires a sponsoring agency to list all affiliates in its initial application. Proposed new subsection (b) requires a sponsoring agency that wants to add an affiliate to notify the Motor Vehicle Commission at least 15 days before the affiliate is scheduled to offer its first class. Proposed new subsection (c) requires a sponsoring agency to notify the Motor Vehicle Commission when it terminates its relationship with an affiliate or when one of its affiliates ceases to exist. The notification is required not more than 15 days after the affiliate offers its final defensive driving course.

Proposed new subsection (d) requires a sponsoring agency to submit the class rosters of its affiliates and to separately identify the rosters of its affiliates from its own rosters. Proposed new subsection (e) indicates that a sponsoring agency is required to ensure that its affiliates adhere to the same regulations, guidelines, restrictions, and policies that the sponsoring agency is required to follow. Proposed new subsection (f) indicates that any deficiencies in the operations or administration of a sponsoring agency's course(s), regardless of who administered the course(s), may result in the denial of credit to students in the affected entities and/or result in the suspension or revocation of the sponsoring agency and its affiliates to offer and administer defensive driving courses.

Social Impact

The rules proposed for re-adoption at N.J.A.C. 13:21 with amendments and new rules will have a beneficial social impact upon the public, since many of the rules proposed for re-adoption enhance highway safety. The submission of Social Security numbers by applicants for driving permits, driver licenses, and registrations enhances the accuracy and integrity of this State's driver license and motor vehicle registration system. The regulation of motor vehicle titles assists in preventing the sale, purchase, possession, or use of stolen motor vehicles, or motor vehicles with fraudulent titles, in this State. The rules regulate the titling and registration of flood-damaged motor vehicles and restrict the misuse of registration plates. The rules exempt single axle tow dollies from motor vehicle registration requirements. The rules provide objective standards for driver testing and promote highway safety by assuring that all licensed drivers in New Jersey have met certain minimum driver licensing standards prior to licensure. The rules provide that the Chief Administrator may refuse to restore a suspended driver if he or she determines that the driver is incapable of safely operating a motor vehicle. The rules set forth standards for those seeking to be licensed as motor vehicle dealers, so that only those applicants who meet the licensing standards and qualify as proper persons are licensed as motor vehicle dealers. The regulation of auto body repair facilities protects the public from dishonest, fraudulent, or deceptive practices in the repair of motor vehicles damaged by collision by imposing licensing standards upon those seeking to engage in such business; by providing for license denial, suspension, or revocation by the Chief Administrator for statutory or regulatory violations set forth in the rules; and by imposing certain recordkeeping and notice requirements upon such licensees. The rules protect the public from fraud by setting forth standards and procedures to prevent certificates of ownership for salvage motor vehicles from being used to register stolen motor vehicles and by providing for the seizure of salvage motor vehicles that are stolen or reconstructed, rebuilt, or repaired using parts from stolen motor vehicles. The rules pertaining to commercial driver licensing promote highway safety by limiting licensure to operate commercial motor vehicles to those persons who have demonstrated their ability to safely operate such vehicles. The rules

proposed for re-adoption with amendments and new rules have no social impact on the Commission.

The proposed amendments and new rules to include texting and using a hand-held mobile telephone device as serious traffic violations promotes highway safety by reducing distracted driving related crashes, fatalities, and injuries involving drivers of CMV. Requiring medical examiners to be certified by the Federal Motor Carrier Safety Administration provides for greater oversight of medical certifications. Audits performed by the Federal Motor Carrier Safety Administration find numerous physically unqualified CDL drivers. Suspending the CDL privileges of a CDL holder who has obtained his or her CDL through fraud promotes highway safety by removing unqualified CDL drivers from the highway. Requiring a CDL holder to retake his or her skills test after the Commission receives credible information regarding fraud also promotes highway safety by making sure all CDL drivers have the required skills to operate a CMV. The regulation requiring New Jersey to accept the skills test administered in another state will lower the barrier to entry into the commercial driver labor market and facilitate training for those drivers that cannot train and test in New Jersey. Regulations setting forth the restrictions and endorsements for CDL examination permits balance safety concerns to train drivers on the type of vehicle he or she will eventually drive, but do not allow the driver to train under cargo laden conditions or with passengers until the driver learns the basic operation of the CMV.

A tamperproof CDL examination permit further reduces the risk of fraud. The Federal Motor Carrier Safety Administration finds there remains a need to improve oversight of medical certifications. Requiring all CDL drivers to submit a current medical examiner's certification promotes highway safety as only allowing medically qualified drivers to operate CMVs. State enforcement personnel will now have access, via CDLIS, to information about medical certificates and medical examiners.

Allowing defensive driving courses to be offered via DVD/video presentation will enable more people to participate in these courses that are currently presented in classrooms and online. Giving people more options will hopefully increase participation in defensive driving courses and increase traffic safety on New Jersey's roadways.

Economic Impact

There is an economic impact on the State of New Jersey in funding the Motor Vehicle Commission, which is responsible for the administration of the rules proposed for re-adoption with amendments and new rules. The economic impact on the State is partially defrayed by the Commission's collection of statutorily mandated fees for examination permits, special learner's permits, driver licenses, nondriver identification cards, motor vehicle titles, motor vehicle registrations, special road crossing permits, motor vehicle dealer licenses, and auto body repair facility licenses, as well as by the collection of license and registration restoration fees and salvage vehicle inspection fees.

The Commission will pay an interpreter fee to an approved interpreter who is assisting a hearing-impaired driver license applicant at a special test administered by the Commission to such applicants. As set forth in N.J.A.C. 13:21-8.8(f) an approved interpreter shall be paid at the interpreter's customary rate, not to exceed \$55.00 per hour, plus \$0.31 per mile for travel over 25 miles round trip. An approved interpreter will be paid a minimum of two hours.

There is an economic impact upon the general public. As noted above, a person applying for an examination permit, special learner's permit, driver license, nondriver identification card, motor vehicle title, motor vehicle registration, or special road crossing permit must pay the statutorily mandated fees for those documents to the Commission. An applicant for a nonresident temporary registration at a motor vehicle agency must pay a \$5.00 fee to the Commission for same as set forth in N.J.A.C. 13:21-5.13(i). Various salvage inspection fees are set forth for certain vehicles in N.J.A.C. 13:21-22.10(e). N.J.A.C. 13:21-22.11(h) provides for the payment of a \$5.00 fee to the Commission by the owner of a salvage motor vehicle for a temporary registration for such vehicle issued by the Commission in accordance with the rule.

N.J.A.C. 13:21-9.3 has an economic impact upon those members of the public who apply for restoration of a suspended or revoked license or registration. The rule provides that the fee specified in N.J.S.A. 39:3-10a

shall be paid to the Chief Administrator for the restoration of any suspended or revoked license or registrations. The fee presently set forth in N.J.S.A. 39:3-10a as amended by section 14 of P.L. 2002, c. 34 for the restoration of any license by the Commission is \$100.00. The fee presently set forth in N.J.S.A. 39:3-10a as amended by section 14 of P.L. 2002, c. 34 for the restoration of registrations by the Commission is \$100.00. The rule as proposed for amendment codifies existing Commission practice.

Proposed new N.J.A.C. 13:21-5.14 exempts single axle tow dollies from motor vehicle registration requirements. This saves tow dolly users from having to pay a \$21.50 single axle trailer registration fee.

There is an economic benefit for purchasers of motor vehicles under the proposed amendments to N.J.A.C. 13:21-15.9(f), which increases the validity period of a temporary registration from 20 days to 30 days and N.J.A.C. 13:21-15.9(g), which allows for the issuance of a second temporary registration in situations where the permanent registration is delayed because the original title is lost or the lienholder has delayed in issuing title. These amendments reflect current procedure. Previously, the purchaser would lose the right to operate the vehicle after the initial 20-day period expired if the purchaser could not have title transferred to them within the 20-day period.

Since entry into an approved motor vehicle defensive driving course offered in accordance with N.J.A.C. 13:21-24 is voluntary, there is no adverse economic impact on the general public. Those licensees who voluntarily choose to attend a motor vehicle defensive driving course may be charged an attendance fee for the course. However, automobile insurance rate reductions are available to those persons who successfully complete an approved motor vehicle defensive driving course. See N.J.S.A. 17:33B-45.1. The proposed amendments that would allow sponsoring agencies to offer defensive driving courses via DVD/video can potentially expand the market for these courses resulting in an increase in revenue to sponsoring agency providers.

There is an economic impact upon those business entities that are subject to the rules proposed for re-adoption with amendments and new rules. Motor vehicle dealers and auto body repair facilities are specifically subject to these rules. The proposed amendment to N.J.A.C. 13:21-15.2(k) requires applicants of New Jersey motor vehicle dealer licenses to submit current color passport-type photographs of all authorized signatories of the dealership. Licensed motor vehicle dealers are required to have an electronic system to issue temporary registrations and nonresident temporary registrations (see N.J.A.C. 13:21-15.9(k) and 15.10(k)). Licensed motor vehicle dealers are required to maintain electronic or written records to account for motor vehicle dealer plates and new motor vehicle dealer inspection stickers (see N.J.A.C. 13:21-15.11 and 15.12). The amendments also require licensed motor vehicle dealers to print temporary registrations and nonresident temporary registrations using a laser jet printer using a method and type of paper stock prescribed by the Motor Vehicle Commission (see N.J.A.C. 13:21-15.9(i), (j), and (q) and 15.10(i), (j), and (p)).

An applicant for a motor vehicle dealer license must pay the statutorily mandated fee for that license to the Commission. The \$100.00 fee collected by the Commission for initial issuance of a motor vehicle dealer license, and for each annual renewal thereof, is mandated by N.J.S.A. 39:10-19. A licensed motor vehicle dealer that wishes to issue temporary registrations and nonresident temporary registrations pursuant to N.J.A.C. 13:21-15.9 and 15.10, respectively, must purchase such registrations from an approved vendor. An applicant for an auto body repair facility license must pay the statutorily mandated fee for that license to the Commission. The license fee collected by the Commission for initial issuance of an auto body repair facility license, and for each biennial renewal thereof, is assessed pursuant to N.J.S.A. 39:13-2 and N.J.A.C. 13:21-21. A \$20.00 application fee is also set forth in N.J.A.C. 13:21-21.6. A \$100.00 fee is assessed by the Commission for the restoration of a suspended auto body repair facility license pursuant to N.J.A.C. 13:21-21.22.

Each party in a case involving a protest filed with the Motor Vehicle Franchise Committee pursuant to N.J.S.A. 56:10-16 et seq. is required to deposit \$1,500 with the Committee in accordance with N.J.A.C. 13:21-19.9 to cover the costs of the administrative hearing.

Federal Standards Analysis

There are a number of regulatory provisions in N.J.A.C. 13:21 that are impacted by Federal statutory and regulatory provisions.

Federal law (42 U.S.C. § 405(c)(2)(C)) specifically permits the respective states to utilize Social Security numbers in the administration of driver's license or motor vehicle registration laws. Toward that end, the Commission has promulgated N.J.A.C. 13:21-1.3, which mandates that an applicant for a special learner's permit, examination permit, driver license, commercial driver license, or any endorsement thereto, or registration disclose his or her Social Security number on the application form as a prerequisite to the issuance of the document by the Commission. N.J.A.C. 13:21-1.4 (as proposed for amendment herein) sets forth the restricted uses of the Social Security number data thus obtained by the Commission, and N.J.A.C. 13:21-1.5 provides that the Social Security number data does not constitute a public record and is not accessible for public examination pursuant to the Open Public Records Act, N.J.S.A. 47:1A-1 et seq. The aforementioned Commission rules regarding the submission of Social Security numbers do not impose a standard or requirement that exceeds the standards or requirements imposed by Federal law.

Federal law (49 U.S.C. § 32705) imposes various odometer disclosure requirements at the time of transfer of motor vehicle ownership. Federal rules at 49 CFR Part 580 concerning this subject include a provision (49 CFR 580.17), which sets forth various exemptions from such odometer disclosure requirements, including exemptions with respect to vehicles having a gross vehicle weight rating of more than 16,000 pounds and vehicles that were manufactured in a model year beginning at least 10 years before January 1 of the calendar year in which the transfer occurs. The Commission's rules regarding this subject, N.J.A.C. 13:21-5.8 (as proposed for amendment herein) and 5.9, do not contain odometer disclosure exemptions with respect to the above referenced vehicles and, in that regard, impose a standard that exceeds 49 CFR 580.17. N.J.S.A. 2C:21-8, a New Jersey statute that predates the adoption of the aforementioned Federal standard, provides in relevant part that "[a] person commits a disorderly persons offense when he sells, exchanges, offers for sale or exchange or exposes for sale or exchange a used motor vehicle on which he has changed or disconnected the mileage registering instrument on the vehicle to show a lesser mileage reading than that actually recorded on the vehicle or on the instrument with purpose to misrepresent the mileage of the vehicle." N.J.S.A. 2C:21-8 does not distinguish between used motor vehicles on the basis of weight or age; all such vehicles fall within its purview. The Commission notes that N.J.S.A. 2C:21-8 has not been amended since it became effective in 1979, notwithstanding the subsequent adoption of 49 CFR 580.17. The Commission believes that the incorporation of odometer disclosure requirement exemptions into N.J.A.C. 13:21-5.8 and 5.9 on the basis of a used motor vehicle's weight or age would hinder the efforts of law enforcement authorities to prosecute alleged violations of N.J.S.A. 2C:21-8 with respect to such vehicles, and the Commission accordingly declines to incorporate such exemptions into its rules. N.J.A.C. 13:21-5.8(b) indicates that if there is no space on the certificate of ownership, manufacturer's statement of origin, or other prescribed form for the date of transfer and the mileage reading, a written disclosure of the date of transfer and the mileage reading must be executed as a separate document. This is consistent with Federal law (49 CFR 580.5(g)).

Federal law (23 U.S.C. § 141(c)) provides that any state that allows the registration of heavy vehicles (that is, those which have a gross weight of 55,000 pounds or more) without requiring proof from the registration applicant that the Federal Heavy Vehicle Use Tax imposed upon such vehicles by 26 U.S.C. § 4481 has been paid will lose up to 25 percent of its Federal-aid highway funds for the fiscal year. In order to avoid such a loss of Federal-aid highway funds, New Jersey has enacted N.J.S.A. 39:3-5.1 and the Commission has promulgated N.J.A.C. 13:21-5.11 to preclude the registration of a vehicle subject to the Federal Heavy Vehicle Use Tax in this State, unless the applicant supplies proof to the Commission verifying that said tax has been paid. Another Commission rule, N.J.A.C. 13:21-15.9(e), precludes the issuance of a temporary registration by a licensed motor vehicle dealer for a vehicle that is subject to the Federal Heavy Vehicle Use Tax unless the applicant supplies proof that the tax has been paid. Another Commission rule, N.J.A.C. 13:21-

15.10(e), precludes the issuance of a nonresident temporary registration by a licensed motor vehicle dealer for a vehicle that is subject to the Federal Heavy Vehicle Use Tax unless the applicant supplies proof that the tax has been paid. Another Commission rule, N.J.A.C. 13:21-5.13(e), precludes the issuance of a nonresident temporary registration by a motor vehicle agency for a vehicle that is subject to the Federal Heavy Vehicle Use Tax unless the applicant supplies proof that the tax has been paid. N.J.A.C. 13:21-5.11, 5.13(e), 15.9(e), and 15.10(e) are intended to implement the New Jersey statutory requirement embodied in N.J.S.A. 39:3-5.1, and do not impose a standard or requirement that exceeds the standards or requirements imposed by Federal law.

New Jersey law (P.L. 1993, c. 34) requires that an applicant for a New Jersey driver's license, examination permit, special learner's permit, or nondriver identification card submit proof to the Commission, as a condition for obtaining the license, permit, or card, that the applicant's presence in the United States is authorized under Federal law. N.J.A.C. 13:21-6.2 implements the New Jersey statutory requirement with respect to the issuance of examination permits by requiring that, as a prerequisite to the issuance of such permits, applicants must submit proof to the Commission that the applicant's presence in the United States is authorized under Federal law in the manner set forth in N.J.A.C. 13:21-8.2. N.J.A.C. 13:21-7.2 implements the New Jersey statutory requirement with respect to the issuance of special learner's permits by requiring that, as a prerequisite to the issuance of such permits, applicants must submit proof to the Commission that the applicant's presence in the United States is authorized under Federal law in the manner set forth in N.J.A.C. 13:21-8.2. N.J.A.C. 13:21-8.2, implements the New Jersey statutory requirement with respect to the issuance of driver licenses by requiring that, as a prerequisite to the issuance of such licenses, applicants must submit proof to the Commission that the applicant's presence in the United States is authorized under Federal law in the manner set forth in the rule. Subsection (f) provides that the Chief Administrator shall suspend or revoke any driver's license or permit issued pursuant to said subsection to a person from a foreign country who is in this State for a period of one year or less upon expiration of the license or permit holder's lawful presence in the United States unless it is demonstrated that the person's continued presence in the United States is authorized under Federal law. N.J.A.C. 13:21-16.2 implements the New Jersey statutory requirement with respect to the issuance of nondriver identification cards by requiring that as a prerequisite to the issuance of such cards, applicants must submit proof to the Commission that the applicant's presence in the United States is authorized under Federal law in the manner set forth in N.J.A.C. 13:21-8.2. Each of the aforementioned Commission rules has been promulgated to implement the New Jersey statutory requirement embodied in P.L. 1993, c. 34, with regard to the issuance of the aforementioned permits, licenses, and cards, and none of the respective rules imposes a standard or requirement that exceeds the standards or requirements imposed by Federal law.

N.J.A.C. 13:21-20.2(e), provides that first-stage and multi-stage motor home manufacturers shall assign and affix a vehicle identification number in accordance with the format, content, and general physical requirements for vehicle identification numbers prescribed by the National Highway Traffic Safety Administration at 49 CFR 565.1 et seq. This provision does not impose a standard or requirement that exceeds the standards or requirements imposed by Federal law.

The New Jersey Commercial Driver License Act (P.L. 1990, c. 103) provides, at section 19 (N.J.S.A. 39:3-10.27), for the adoption of rules by the Commission "necessary to place this State in substantial compliance with the requirements of the federal 'Commercial Motor Vehicle Safety Act of 1986,' Pub. L. 99-570 (49 U.S.C. §§ 2701 et seq.) and the regulations promulgated pursuant to that federal law." Toward that end, the Commission has promulgated N.J.A.C. 13:21-23, which implements a program of commercial driver licensing in New Jersey and place this State in substantial compliance with the aforementioned Federal law.

N.J.A.C. 13:21-14.5(c)11 sets forth a person's failure to meet the medical and physical qualifications established by the United States Department of Transportation, Federal Motor Carrier Safety Administration, as set forth in 49 CFR 391.41, as grounds for the Chief Administrator to deny or suspend the license of an applicant or licensee who desires to operate a bus. This provision does not impose a standard

or requirement that exceeds the standards or requirements imposed by Federal law.

The State of New Jersey, many years ago, chose to extend the scope of the CDL requirement to the operators of vehicles designed to transport eight or more but less than 16 persons, including the driver, which are used to transport such persons for hire, including such vehicles used to transport persons on a daily basis to and from places of employment. See N.J.S.A. 39:3-10.9 et seq. and N.J.A.C. 13:21-23. See also N.J.S.A. 39:3-10.1 and N.J.A.C. 13:21-14. This extension of the CDL requirement to the operators of such vehicles exceeds the Federal CDL requirement imposed by the Federal Commercial Motor Vehicle Safety Act of 1986, Pub. L. 99-570 (49 U.S.C. §§ 2701 et seq.) and the Federal regulations promulgated pursuant thereto. Even prior to the enactment of the New Jersey Commercial Driver License Act (P.L. 1990, c. 103), this State imposed, pursuant to N.J.S.A. 39:3-10.1, special licensing requirements upon the operators of such vehicles. Although the New Jersey Legislature amended N.J.S.A. 39:3-10.1 as part of P.L. 1990, c. 103, it chose not to delete the lesser passenger requirement set forth in the statute despite the fact that the requirement exceeds the Federal CDL requirement. Furthermore, another provision of P.L. 1990, c. 103, N.J.S.A. 39:3-10.11, includes smaller capacity vehicles (those designed to transport eight or more but less than 16 persons, including the driver) within its definition of "commercial motor vehicle," thereby extending the CDL licensing requirement beyond the requirements of the applicable Federal law. Accordingly, the Commission's rules at N.J.A.C. 13:21-23 reflect the New Jersey statutory requirement embodied in P.L. 1990, c. 103, with regard to the extension of the CDL requirement to the operators of such vehicles. Although the operators of such vehicles incur an expense in connection with applying for the applicable class of CDL and passing the requisite tests as a prerequisite to obtaining such licensure, the extension of the CDL requirement to the operators of such vehicles has helped prevent accidents and protect the public safety by limiting licensure to operate such vehicles to those persons who have demonstrated their ability to safely operate such vehicles.

A Federal standards analysis is not required for the remainder of the rules proposed for readoption with amendments and new rules because the subject matter of those rules is authorized under State law and is not subject to Federal requirements or standards.

Jobs Impact

The Commission does not anticipate that any jobs will be generated or lost as a result of the rules proposed for readoption with amendments and new rules.

Agriculture Industry Impact

The rules proposed for readoption with amendments at N.J.A.C. 13:21-12 and 13 will continue to affect the agriculture industry in this State in that they pertain to the use of farm vehicles (N.J.A.C. 13:21-12) and the transportation of migrant farm workers (N.J.A.C. 13:21-13). This State's agriculture industry has long been subject to the requirements contained in the respective subchapters. Given that the purpose of N.J.A.C. 13:21-12 and 13 is to foster highway safety with respect to the operators of farm vehicles, the persons being transported in migrant farm vehicles, and the motoring public, the readoption of the respective subchapters as proposed by the Commission is warranted. The remaining subchapters of N.J.A.C. 13:21 that are proposed for readoption, and the proposed amendments and new rules thereto, do not have an impact on the agriculture industry.

Regulatory Flexibility Analysis

The Commission estimates that most, if not all, of the business entities that are the subject of regulation by the rules proposed for readoption with amendments and new rules are small businesses as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., such as motor vehicle dealers, auto body repair facilities, members of the salvage industry, and motor vehicle defensive driving course sponsoring agencies.

Approximately 4,200 business entities are presently licensed as motor vehicle dealers in the State of New Jersey. The general licensing provisions set forth in N.J.A.C. 13:21-15 have uniform application to those entities. It is not feasible to exempt small businesses from these

requirements merely because of their size given the statutory motor vehicle dealer licensing requirement set forth in N.J.S.A. 39:10-19. The regulation of such businesses protects the public from dishonest practices in the sale of motor vehicles by setting forth licensing standards designed to insure that only properly qualified persons are licensed as motor vehicle dealers and by providing for license denial, suspension or revocation for statutory or regulatory violations set forth in the rules. An exemption from these requirements for small businesses is not warranted since it would diminish the consumer protection aspect of these rules. It is not anticipated that motor vehicle dealers would require professional services to assist in the completion of the license application form. The Commission is uncertain as to the initial capital cost and annual compliance cost to such small businesses of maintaining required books, records, and files. The \$100.00 fee collected by the Commission for initial issuance of a motor vehicle dealer license, and for each annual renewal thereof, is mandated by N.J.S.A. 39:10-19.

Licensed New Jersey motor vehicle dealers are affected by N.J.A.C. 13:21-15.9 and 15.10, which pertain to the issuance of temporary registrations and nonresident temporary registrations, respectively, by such dealers. The rules set forth various fee, recordkeeping, and other compliance requirements applicable to licensed motor vehicle dealers with regard to the issuance of temporary registrations and nonresident temporary registrations by such dealers. N.J.A.C. 13:21-15.9 and 15.10 do not require licensed motor vehicle dealers to engage additional professional services. Compliance costs for such dealers may vary. The compliance requirements imposed upon motor vehicle dealers by the rules are not viewed as overly burdensome in that motor vehicle dealers licensed in this State have long been subjected to responsibilities pertaining to the issuance of temporary registrations and nonresident temporary registrations. The rules assist the State in regulating the issuance of temporary registrations and nonresident temporary registrations by licensed motor vehicle dealers, and protect the public by providing for the suspension or revocation of a motor vehicle dealer's license for violations of the rules. Accordingly, an exemption from the rules for small businesses is not warranted. The proposed amendments require licensed motor vehicle dealers to have an electronic system to issue temporary registrations and nonresident temporary registrations (see N.J.A.C. 13:21-15.9(k) and 15.10(k)). The proposed amendments give licensed motor vehicle dealers the choice of maintaining required accounting records for dealer plates and new motor vehicle dealer inspection stickers in either electronic or written form (see N.J.A.C. 13:21-15.11 and 15.12). The proposed amendment to N.J.A.C. 13:21-15.2(k) requires applicants of New Jersey motor vehicle dealer licenses to submit current color passport-type photographs of all authorized signatories of the dealership. The amendments also requires licensed motor vehicle dealers to print temporary registrations and nonresident temporary registrations using a laser jet printer using a method and type of paper stock prescribed by the Motor Vehicle Commission (see N.J.A.C. 13:21-15.9(i), (j), and (q) and 15.10(i), (j), and (p)). The proposed amendment to N.J.A.C. 13:21-15.4(g) gives licensed motor vehicle dealers flexibility to keep records in either paper or electronic format.

Licensed motor vehicle dealers are affected by the Motor Vehicle Franchise Committee rules set forth in N.J.A.C. 13:21-19 only in the event that they wish to file a protest with the Committee (or are responding to a protest that has been filed) pursuant to N.J.S.A. 56:10-16 et seq. The rules in question are primarily procedural in nature, and are proposed for readoption by the Chief Administrator of the Motor Vehicle Commission in his capacity as Chairman of the Motor Vehicle Franchise Committee. See N.J.S.A. 56:10-17 and 56:10-25. The rules establish a procedure by which motor vehicle franchisees who are not notified by motor vehicle franchisors as required by N.J.S.A. 56:10-19 may file a protest with the Committee; establish procedures for the filing of notices of intent, protest letters and responsive pleadings with the Committee and parties; establish procedures for the filing of papers with the Office of Administrative Law; provide for the denial, suspension, or revocation of a motor vehicle dealer license for failure to comply with a final determination issued by the Committee; and require that each party in a case involving a protest filed with the Committee pursuant to N.J.S.A. 56:10-16 et seq., deposit \$1,500 with the Committee to cover the costs of the administrative hearing. The rules in question are necessary for the proper administration of N.J.S.A. 56:10-16 et seq. by the Committee and

no exemption from the requirements of the rules for small businesses is warranted. The rules do not impose compliance requirements other than those set forth above, and they do not impose recordkeeping requirements.

Approximately 1,517 business entities are presently licensed as auto body repair facilities in the State of New Jersey. The licensing, recordkeeping, advertising, and other compliance requirements imposed pursuant to N.J.A.C. 13:21-21 have uniform application to those entities. It is not feasible to exempt small businesses from these requirements merely because of their size in light of the statutory auto body repair facility licensing requirement set forth in N.J.S.A. 39:13-2. The regulation of such facilities protects the public from dishonest, fraudulent, or deceptive practices in the repair of motor vehicles damaged by collision by imposing licensing standards upon those seeking to engage in such business; by providing for license denial, suspension, or revocation by the Chief Administrator for statutory or regulatory violations set forth in the rules; and by imposing certain recordkeeping and notice requirements upon such licensees. An exemption from these requirements for small businesses is not warranted since it would dilute the consumer protection aspect of these rules. It is not anticipated that auto body repair facilities would require professional services to assist in the completion of the license application form. The Commission is uncertain as to the initial capital cost and annual compliance cost to such small businesses of maintaining required records. The \$350.00 license fee collected by the Commission for initial issuance of auto body repair facility licenses, and for each biennial renewal thereof, is assessed pursuant to N.J.S.A. 39:13-2 and N.J.A.C. 13:21-21. A \$20.00 application fee is also set forth in N.J.A.C. 13:21-21.6. A \$100.00 fee is assessed by the Commission for the restoration of a suspended auto body repair facility license pursuant to N.J.A.C. 13:21-21.22.

Among those persons subject to the salvage title rules set forth in N.J.A.C. 13:21-22 are auto body repair facilities and members of the salvage industry. No special recordkeeping system or professional service is required by such a small business in order to comply with the requirements imposed by those rules. The salvage title rules basically govern the issuance of salvage certificates of title, the inspection of salvage motor vehicles and the issuance of certificates of ownership after the motor vehicle has successfully passed a salvage inspection. The salvage title rules place reasonable responsibilities on the auto salvage industry and auto body repair facilities with regard to salvage titles and inspections relative thereto. Given that the purpose of those rules is to protect the public from fraud by establishing standards and procedures to prevent certificates of ownership for salvage motor vehicles from being used to register stolen motor vehicles and by providing for the seizure of salvage motor vehicles that are stolen or reconstructed, rebuilt, or repaired using parts from stolen motor vehicles, no exemption for small businesses from the requirements of those rules is warranted.

The rules set forth in N.J.A.C. 13:21-24 that are proposed for readoption impose compliance, recordkeeping, and reporting requirements on motor vehicle defensive driving course sponsoring agencies that qualify as small businesses as defined in the Regulatory Flexibility Act. Sponsoring agencies are required to maintain sufficient records to identify the student, dates of course attendance, and date of course completion, so that the student may qualify for the reduction of motor vehicle violation points established by law for the completion of such a course. In addition, sponsoring agencies are required to submit certified student course completion documentation to the Commission. The proposed amendments require sponsoring agencies to be responsible for the conduct of their affiliates, as well as their own conduct and to handle certain functions like submitting separate class rosters for their affiliates directly to the Motor Vehicle Commission. The rules do not require small businesses to engage additional professional services, nor should they necessitate any capital or annual expenditures for compliance. The general compliance provisions contained in the rules set forth in N.J.A.C. 13:21-24 have uniform application to all entities that voluntarily seek to qualify as motor vehicle defensive driving course sponsoring agencies. It is not feasible to exempt small businesses from these requirements in light of the responsibility of the Commission to establish standards that a motor vehicle defensive driving course must meet.

Housing Affordability Impact Analysis

It is not anticipated that the rules proposed for readoption with amendments and new rules will have any impact on housing affordability in this State, nor would the rules evoke a change in the average costs associated with housing because the rules pertain to the licensing services of the Commission.

Smart Growth Development Impact Analysis

It is not anticipated that the rules proposed for readoption with amendments and new rules will have any impact on the number of housing units or the availability of affordable housing in the State nor that they will have any effect on housing in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan because the rules pertain to the licensing services of the Commission.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 13:21.

Full text of the proposed amendments and new rules follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 5. REGISTRATIONS

13:21-5.13 Nonresident temporary registrations issued by motor vehicle agencies

(a) (No change.)

(b) A nonresident temporary registration shall not be issued pursuant to this section unless the applicant therefor presents a properly assigned manufacturers' statement of origin or title for the vehicle and, if applicable, a properly assigned dealer reassignment certificate for the vehicle, **except as provided by N.J.S.A. 39:10-9.**

(c)-(d) (No change.)

(e) If the vehicle is subject to the Federal Heavy Vehicle Use Tax imposed by section 4481 of the Internal Revenue Code of 1954 (26 U.S.C. § 4481), a nonresident temporary registration shall not be issued unless the applicant therefor presents proof in the form prescribed by the United States Secretary of the Treasury that the tax has been paid; **a copy of the proof shall be retained.**

(f)-(i) (No change.)

(j) A nonresident temporary registration issued by a motor vehicle agency pursuant to this section is a three-part document consisting of an original and two copies thereof. Prior to the issuance of a nonresident temporary registration pursuant to this section, the motor vehicle agency shall assure that all required information has been either typed or printed in ink on the document and that such information is legible on the original and each of the copies thereof.]

(k) (j) The motor vehicle agency shall [enter the following information in the appropriate locations on the right side of the nonresident temporary registration:] **ensure that all information is properly entered and print the temporary registration. The information shall include:**

1. (No change.)

2. The address of the registrant [(provided, however, that the address does not appear on the original but only appears on each of the copies thereof)];

3.-4. (No change.)

5. The date of expiration of the nonresident temporary registration; [and]

6. The name of the insurance company that has issued a policy covering the vehicle, as well as the insurance policy number or binder number[.]; **and**

7. **The temporary registration number.**

(l) The expiration date of the nonresident temporary registration shall be entered by the motor vehicle agency in the appropriate location on the lower left side of the document. The expiration date shall be written with black felt tip pen or indelible marker in numerals at least one inch high and one inch wide. This date must coincide with the expiration date entered by the motor vehicle agency in smaller numerals on the right side of the document in accordance with (k)5 above.

(m) The registrant shall sign his or her name in the appropriate location on the nonresident temporary registration after all other required information has been typed or printed on the document by the motor vehicle agency.]

(n) (k) The ["original" of the] nonresident temporary registration **plate** issued by a motor vehicle agency pursuant to this section shall be [affixed] **securely attached** by the registrant to the [driver's side of the rear window inside the passenger compartment] **rear license plate holder** of the vehicle. [The nonresident temporary registration shall be affixed in such a manner so as to be clearly visible from the rear of the vehicle.] For a motorcycle[s], a motorized bicycle[s], [and vehicles without rear window glass] **or in the event that the registrant is transferring handicap plates or the nonresident temporary registration 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 Motor Vehicle Commission.

13:21-5.14 Single axle tow dolly

(a) **As used in this section, "single axle tow dolly" means a vehicle designed and used exclusively to transport a motor vehicle and upon which the front or rear wheels of the towed motor vehicle are mounted, while the other wheels of the towed motor vehicle remain in contact with the ground.**

(b) **A single axle tow dolly shall be exempt from the motor vehicle registration requirements of this State.**

SUBCHAPTER 8. DRIVER LICENSES

13:21-8.6 Law-knowledge tests; written; English language; foreign language

(a)-(g) (No change.)

(h) **Law-knowledge test results shall expire two years from the date of the test.**

SUBCHAPTER 14. PASSENGER ENDORSEMENTS

13:21-14.5 Passenger endorsement regulations

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

(c) The Chief Administrator of the Motor Vehicle Commission may not issue a passenger endorsement, or may revoke or suspend the passenger endorsement of any person when it is determined that the applicant or holder of such [license] **passenger endorsement** has:

1.-5. (No change.)

6. Failed to submit proof of continuing physical fitness, good character, and driver experience every 24 months. (Proof of physical fitness shall be in the form of a satisfactory medical report submitted by a licensed physician). **If the medical report submitted by the licensed physician indicates that it is valid for a period of time less than 24 months, then a new updated medical report shall be submitted prior to the expiration of the current medical report.** Pursuant to N.J.A.C. 13:60-1.1 et seq., **failure to meet the medical and physical qualifications of this paragraph will subject the applicant or holder of such passenger endorsement to denial, revocation, or suspension of that person's underlying commercial driver license (CDL), as well as his or her passenger endorsement;**

7.-10. (No change.)

11. Failed to meet the medical and physical qualifications set forth in the regulations of the United States Department of Transportation, Federal Motor Carrier Safety Administration, 49 CFR 391.41, as amended and supplemented. **Pursuant to N.J.A.C. 13:60-1.1 et seq., failure to meet the medical and physical qualifications of this paragraph will subject the applicant or holder of such passenger endorsement to denial, revocation, or suspension of that person's underlying CDL, as well as his or her passenger endorsement;**

12.-13. (No change.)

(d) (No change.)

SUBCHAPTER 15. NEW JERSEY LICENSED MOTOR VEHICLE DEALERS

13:21-15.2 Application

(a)-(j) (No change.)

(k) The applicant shall submit current color passport-type photographs of the applicant, if an individual, or of all partners, members, officers, directors, or shareholders with controlling interests, if a partnership, limited liability company, or corporation, respectively, **and of all authorized signatories whose names are submitted pursuant to (f) above.**

(l)-(m) (No change.)

13:21-15.4 Established place of business

(a)-(f) (No change.)

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

1. (No change.)

(h)-(j) (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 change.)

(b) Except as provided in (c) below no motor vehicle dealer licensed pursuant to N.J.S.A. 39:10-19, 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)-(f) (No change.)

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

(a) (No change.)

(b) A temporary registration shall not be issued pursuant to this section if the motor vehicle dealer does not have in its possession a valid manufacturers' 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.**

(c) (No change.)

(d) 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 [with the dealer copy of the temporary registration] **for three years.** No dealer shall sell, provide, transfer, or otherwise arrange for insurance coverage required pursuant to this section unless the dealer is an insurance producer properly licensed by the New Jersey Department of Banking and Insurance.

(e) If the vehicle is subject to the Federal Heavy Vehicle Use Tax imposed by section 4481 of the Internal Revenue Code of 1954 (26 U.S.C. § 4481), a temporary registration shall not be issued unless the applicant therefor presents proof in the form prescribed by the United States Secretary of the Treasury that the tax has been paid; **a copy of the proof shall be retained.**

(f) A temporary registration issued pursuant to this section shall expire at the end of [20] **30** days or as soon as the permanent registration for the vehicle (and, if applicable, license plates) have been received by the registrant, whichever occurs first. The temporary registration shall be destroyed by the registrant at the time of expiration.

(g) [A motor vehicle dealer shall not extend the expiration date of a temporary registration, nor issue another temporary registration to the same registrant for the same vehicle.] A motor vehicle dealer 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. Original title is lost; or**2. Lien holder has delayed in providing the original title.**

(h) (No change.)

(i) A licensed motor vehicle dealer, which has been authorized to issue temporary registrations by the Commission, may purchase temporary registrations from [a motor vehicle agency] **an approved vendor that is listed on the Motor Vehicle Commission's website, www.state.nj.us/mvc,** at a cost of \$3.00 per temporary registration [upon submission of a motor vehicle dealership business check in an amount that reflects the number of such temporary registrations being purchased by the dealer].

[(j) Prior to the issuance of a temporary registration, the motor vehicle dealer or his authorized signatory shall assure that all required information has been either typed or printed in ink on the document and that such information is legible on the original and each of the copies thereof.]

(j) A temporary registration shall only be issued through the motor vehicle dealer's own account and shall be printed on a laser jet printer.

(k) The motor vehicle dealer or authorized signatory shall **ensure that all required information is properly entered and print** [enter the following information in the appropriate locations on the right side of] the temporary registration. **The information shall include:**

1. (No change.)

2. The address of the registrant [(provided, however, that the address does not appear on the original but only appears on each of the copies thereof)];

3.-6. (No change.)

7. The name of the insurance company that has issued a policy covering the vehicle, as well as the insurance policy number or binder number; [and]

8. The motor vehicle dealer's name[, address,] **and** dealer identification number[.]; and [telephone number.]

9. The temporary registration number.

[(l) The motor vehicle dealer or authorized signatory shall both print and sign his or her name in the appropriate location on the temporary registration.

(m) The expiration date of the temporary registration shall be entered by the motor vehicle dealer or authorized signatory in the appropriate location on the lower left side of the document directly below the large numerals indicating the temporary registration number. The expiration date shall be written with black felt tip pen or indelible marker in numerals at least one inch high and one inch wide. This date must coincide with the expiration date entered by the motor vehicle dealer or authorized signatory in smaller numerals on the right side of the document in accordance with (k)5 above.

(n) The registrant shall execute the temporary registration in the appropriate place only after all other required information has been typed or printed on the document by the motor vehicle dealer or authorized signatory.]

[(o) **(l)** The dealer or authorized signatory shall [affix the "original" of] **securely attach** the temporary registration **plate** issued by the motor vehicle dealer pursuant to this section to the [driver's side of the rear window inside the passenger compartment of the vehicle or to a side rear window of the vehicle if the rear window is not accessible provided that the driver's vision is not thereby obstructed. The temporary registration shall be affixed in such a manner as to be clearly visible from the rear of the vehicle. In] **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 handicap plates or the temporary registration plate cannot otherwise be [affixed] securely attached to the vehicle, [it] 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.**

[(p)] (m) The ["customer copy"] "**temporary vehicle registration**" portion of the temporary registration issued by a motor vehicle dealer pursuant to this section shall be given to the registrant. This [copy of the temporary registration] 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.

[(q) The "Commission copy" of the temporary registration issued by a motor vehicle dealer pursuant to this section shall be forwarded, together with a properly assigned manufacturer's statement of origin or title for the vehicle and, if applicable, a properly assigned dealer reassignment certificate for the vehicle, and together with the title and registration applications and the fees therefor, to a motor vehicle agency for issuance of a motor vehicle title, permanent registration, and, if applicable, license plates. If the registrant is transferring a registration as permitted by N.J.S.A. 39:3-30, the motor vehicle dealer shall also forward to such agency the current registration, which is being transferred.]

[(r)] (n) [The "dealer copy" of the temporary registration issued by a motor vehicle dealer pursuant to this section shall be retained by such dealer for a period of three years from the date of issuance of the temporary registration. Records pertaining to the issuance of temporary registrations by a motor vehicle dealer pursuant to this section, as well as records pertaining to unissued or voided temporary registrations, shall be maintained in a ledger by such dealer for a period of three years. Such records, including the "dealer copies" of temporary registrations issued by such dealer as well as any] **Any unissued or voided temporary registrations [that are] shall be kept in the possession of such dealer for three years from the issue date or void date, and shall be made available by the licensed dealer for examination by authorized representatives of the Commission at any time during regular business hours. A licensed dealer 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.**

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

(g) **A licensed motor vehicle dealer that has been 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 (i) and (j) above.**

(r) **When a duplicate temporary registration is issued due to a theft of the original temporary registration, a police report shall be obtained and maintained with the file for a period of three years from the date the duplicate temporary registration is issued.**

(s) **When a duplicate temporary registration is issued due to a malfunction in the printing process, evidence of the malfunction shall be documented and retained in the sales file for a period of three years from the date the duplicate temporary registration is issued.**

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

(a) (No change.)

(b) A nonresident temporary registration shall not be issued pursuant to this section if the motor vehicle dealer does not have in its 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.**

(c) A nonresident temporary registration shall not be issued pursuant to this section unless the applicant therefor presents proof that he or she is a nonresident. Such proof of nonresidency shall include, but not be limited to, a valid out-of-State driver license which lists an out-of-State address for the applicant; **a copy of the proof shall be retained for three years.**

(d) An applicant for a nonresident temporary registration pursuant to this section shall present proof to the motor vehicle dealer or authorized signatory of his **or her** out-of-State residence and of the name of the insurance company that is providing liability insurance coverage for the vehicle and the insurance policy number or binder number; such proofs shall be retained [with the dealer's copy of the temporary registration] **for three years.**

(e) If the vehicle is subject to the Federal Heavy Vehicle Use Tax imposed by section 4481 of the Internal Revenue Code of 1954 (26 U.S.C. § 4481), a nonresident temporary registration shall not be issued unless the applicant therefor presents proof in the form prescribed by the United States Secretary of the Treasury that the tax has been paid; **a copy of the proof shall be retained.**

(f)-(h) (No change.)

(i) A licensed motor vehicle dealer, which has been authorized to issue temporary registrations by the Commission, may purchase nonresident temporary registrations from [a motor vehicle agency] **an approved vendor that is listed on the Motor Vehicle Commission's website, www.state.nj.us/mvc**, at a cost of \$5.00 per nonresident temporary registration [upon submission of a motor vehicle dealership business check in an amount that reflects the number of such nonresident temporary registrations being purchased by the dealer].

[(j) A nonresident temporary registration issued by a motor vehicle dealer pursuant to this section is a three-part document consisting of an original and two copies thereof. Prior to the issuance of a nonresident temporary registration pursuant to this section, the motor vehicle dealer or authorized signatory shall assure that all required information has been either typed or printed in ink on the document and that such information is legible on the original and each of the copies thereof.]

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

(k) The motor vehicle dealer or authorized signatory shall [enter the following information in the appropriate locations on the right side of] **ensure that all information is properly entered and print the nonresident temporary registration[-]. The information shall include:**

1. (No change.)

2. The address of the registrant [(provided, however, that the address does not appear on the original but only appears on each of the copies thereof)];

3.-5. (No change.)

6. The name of the insurance company that has issued a policy covering the vehicle, as well as the insurance policy number or binder number; [and]

7. The motor vehicle dealer's name[, address,] **and** dealer identification number[, and telephone number.]; **and**

8. The temporary registration number.

[(l) The motor vehicle dealer or authorized signatory shall both print and sign his or her name in the appropriate location on the nonresident temporary registration.

(m) The expiration date of the nonresident temporary registration shall be entered by the motor vehicle dealer or authorized signatory in the appropriate location on the lower left side of the document. The expiration date shall be written with black felt tip pen or indelible marker in numerals at least one inch high and one inch wide. This date must coincide with the expiration date entered by the motor vehicle dealer or authorized signatory in smaller numerals on the right side of the document in accordance with (k)5 above.

(n) The registrant shall execute the nonresident temporary registration in the appropriate location only after all other required information has been typed or printed on the document by the motor vehicle dealer or authorized signatory].

[(o)] (l) The ["original" of the] nonresident temporary registration **plate** issued by a motor vehicle dealer pursuant to this section shall be [affixed] **securely attached** by the dealer or authorized signatory to the [driver's side of the rear window inside the passenger compartment] **rear license plate holder** of the vehicle. [The nonresident temporary registration shall be affixed in such a manner as to be clearly visible from the rear of the vehicle.] **No portion of the nonresident temporary registration shall be obstructed.** For a motorcycle, a motorized bicycle or [a vehicle without rear window glass] **in the event that the registrant is transferring handicap plates or the nonresident temporary registration cannot otherwise be securely attached to the vehicle,** the nonresident temporary registration 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.

[(p) The “Commission copy” of the nonresident temporary registration issued by a motor vehicle dealer pursuant to this section shall be forwarded, together with a properly assigned manufacturer’s statement of origin or title for the vehicle and, if applicable, a properly assigned dealer reassignment certificate for the vehicle, to the Commission.]

[(q)] **(m)** [The “dealer copy” of the nonresident temporary registration issued by a motor vehicle dealer pursuant to this section shall be retained by such dealer for a period of three years from the date of issuance of the nonresident temporary registration. Records pertaining to the issuance of nonresident temporary registrations by a motor vehicle dealer pursuant to this section, as well as records pertaining by a motor vehicle dealer pursuant to this section, as well as records pertaining to unissued or voided nonresident temporary registrations, shall be maintained in a ledger by such dealer for a period of three years. Such records including the “dealer copies” of nonresident temporary registrations issued by such dealer as well as any] **Any** unissued or voided nonresident temporary registrations[, that are in] **shall be kept in the possession of the dealer for three years from the issue date or void date, and** shall be made available by the licensed dealer for examination by authorized representatives of the Commission at any time during regular business hours. A licensed dealer 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.

Recodify existing (r) and (s) as **(n) and (o)** (No change in text.)

(p) A licensed motor vehicle dealer that has been authorized to issue nonresident temporary registrations by the Commission shall print them using a method and type of paper stock as set forth in (i) and (j) above.

(q) When a duplicate nonresident temporary registration is issued due to a theft of the original nonresident temporary registration, a police report shall be obtained and maintained with the file for a period of three years from the date the duplicate nonresident temporary registration is issued.

(r) When a duplicate nonresident temporary registration is issued due to a malfunction in the printing process, evidence of the malfunction shall be documented and retained in the sales file for a period of three years from the date the duplicate nonresident temporary registration is issued.

13:21-15.11 Dealer plates

(a) All dealer plates shall be accounted for in [a logbook or ledger.] **an electronic or written record**, for which the following information is listed for each dealer plate:

1.-3. (No change.)

(b) The [log or ledger] **electronic or written record** in (a) above shall be maintained for at least three years **and updated as dealer plates are assigned.**

(c) A motor vehicle dealer who fails upon the demand of the Commission to produce the [log or ledger] **electronic or written record** required pursuant to (a) above shall, upon notice and opportunity to be heard, be subject to suspension or revocation of the motor vehicle dealer’s license or the suspension or revocation of the privilege of retaining dealer plates heretofore issued or purchasing additional plates.

(d) No dealer plates may be affixed to a vehicle that would [other wise] **otherwise** require registration as a commercial vehicle unless the vehicle is held solely for sale and is driven solely for demonstration purposes to prospective purchasers.

(e)-(g) (No change.)

13:21-15.12 New motor vehicle **dealer** inspection stickers

(a) All new motor vehicle **dealer** inspection stickers shall be accounted for in consecutive order in [a logbook or ledger] **an electronic or written record**, for which the following information is listed for each sticker:

1.-4. (No change.)

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

(e) A motor vehicle dealer who fails upon the demand of the Commission to produce the [log or ledger] **electronic or written record** required pursuant to (a) above or voided stickers retained pursuant to (c)

above or who fails to report, or falsely reports, the loss or theft of stickers, as required by (d) above, shall, upon notice and opportunity to be heard, be subject to suspension or revocation of the motor vehicle dealer’s license.

(f) A motor vehicle dealer must retain a completed pre-delivery inspection checklist on file for each sticker issued for at least five years from the date of the pre-delivery inspection. This checklist shall indicate:

1. The date and place of inspection;

2. The name of the individual who performed the inspection; and

3. A statement that the vehicle was found to be in compliance and that the inspection procedure conformed to the requirements and/or recommendations made by the manufacturer in order to render the vehicle safe for operation.

13:21-15.14 Hearings

(a)-(e) (No change.)

(f) If there are no material facts in dispute or specific mitigating circumstances subject to proof or if the licensee does not respond to the Notice of Proposed Disciplinary Action **within 25 days from the date of the notice**, the Chief Administrator [will] **shall** issue a Final Administrative Determination appealable only to the Appellate Division of the Superior Court.

(g)-(h) (No change.)

SUBCHAPTER 23. COMMERCIAL DRIVER LICENSING

13:21-23.1 Definitions

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

...

“Medical examiner” shall mean:

1. For medical examinations conducted before May 21, 2014, a person who is licensed, certified, and/or registered, in accordance with applicable State laws and regulations, to perform physical examinations. The term includes, but is not limited to, doctors of medicine, doctors of osteopathy, physician assistants, advanced practice nurses, and doctors of chiropractic; and

2. For medical examinations conducted on and after May 21, 2014, an individual certified by the Federal Motor Carrier Safety Administration and listed on the National Registry of Certified Medical Examiners.

...

“Mobile telephone” means a mobile communication device that falls under or uses any commercial mobile radio service, as defined in regulations of the Federal Communication Commission, 47 CFR 20.3. It does not include two-way or citizen band radio service.

...

“Serious traffic violation” means conviction for one of the following offenses committed while operating a commercial motor vehicle:

1.-6. (No change.)

7. Driving a CMV without the proper class of CDL and/or endorsements for the specific vehicle group being operated or for the passengers or type of cargo being transported; [or]

8. Violating a State or local law or ordinance on motor vehicle traffic control prohibiting texting while driving. “Driving” for purposes of this paragraph means operating a CMV on a highway, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays and does not include when the driver has moved the vehicle to the side of, or off of, the highway. Texting is only permissible by drivers when necessary to communicate with law enforcement officials or other emergency services;

9. Violating a State or local law or ordinance on motor vehicle traffic control prohibiting hand-held mobile telephone use while driving a CMV. “Driving” for purposes of this paragraph means operating a CMV on a highway, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays and does not include when the driver has moved the vehicle to the side of, or off of, the highway. Using a hand-held mobile telephone is only permissible by drivers when necessary to

communicate with law enforcement officials or other emergency services; or

[8.] 10. (No change in text.)

...
 "Texting" means manually entering alphanumeric text into, or reading text from, an electronic device. This includes short message service, emailing, instant messaging, a command or request to access a world wide web page, pressing more than a single button to initiate or terminate a voice communication using a mobile telephone, or engaging in any other form of electronic text retrieval or entry. Texting does not include:

1. Inputting, selecting, or reading information on a global positioning system or navigation system;

2. Pressing a single button to initiate or terminate a voice communication using a mobile telephone; or

3. Using a device capable of performing multiple functions (for example, fleet management systems, dispatching devices, smart phones, citizen band radios, music players) for a purpose that is not otherwise prohibited in 49 CFR Part 383.

...
 "Using a hand-held mobile telephone" means:

1. Using at least one hand to hold a mobile telephone to conduct a voice communication;

2. Dialing or answering a mobile telephone by pressing more than a single button; or

3. Reaching for a mobile telephone in a manner that requires a driver to maneuver, so that he or she is no longer in a seated driving position, restrained by a seat belt.

13:21-23.2 Driver application procedures; initial; examination permit; transfer from another state; renewal; upgrade; endorsements; form; fee; legal name defined

(a) To obtain a CDL, a person must meet the following requirements:

1.-5. (No change.)

6. Surrender his or her noncommercial driver's license and CDL examination permit to the Commission;

7.-8. (No change.)

(b)-(c) (No change.)

(d) When applying for a renewal of a CDL, [all] an applicant[s] shall:

1.-2. (No change.)

3. If a person wishes to retain a hazardous materials endorsement, pass the test for such endorsement as specified in N.J.A.C. 13:21-23.14; [and]

4. Provide the names of all [States] states where the applicant has previously been licensed to drive any type of motor vehicle during the previous 10 years[.]; and

5. Surrender his or her current CDL to the Commission.

(e) (No change.)

(f) When applying for a CDL examination permit, [all] an applicant[s] shall:

1.-5. (No change.)

(g) CDL examination permits are valid for no more than 180 days from the date of issuance. CDL examination permits may be renewed one time for no more than an additional 180 days.

Recodify existing (g)-(k) as (h)-(l) (No change in text.)

13:21-23.3 Driver testing and licensing; initial licenses; license transfers; renewals; upgrades; issuance; penalties for false information; penalties for conviction of fraud; penalties for receipt of credible information of fraud; reciprocity

(a)-(f) (No change.)

(g) A driver who is convicted of fraud regarding the application, issuance of, or testing for a CDL examination permit or CDL will have his or her CDL examination permit or CDL disqualified. A driver who is convicted of fraud is prohibited from reapplying for a CDL examination permit or CDL for one year and must reapply following the procedures applicable to all CDL examination permits and CDL applicants as set forth in this subchapter.

(h) Upon receipt by the Commission of credible information that a CDL examination permit or CDL holder is suspected, but has not

been convicted, of fraud related to the issuance of or testing for his or her CDL examination permit or CDL, the following shall apply:

1. The driver will be required to retake the skills and knowledge tests;

2. The affected driver shall make an appointment or otherwise schedule to take the next available test within 30 days of receiving notification that re-testing is necessary;

3. If the affected driver does not make an appointment, his or her CDL examination permit or CDL will be disqualified;

4. If the affected driver fails either the knowledge or skills test or does not take both the knowledge and skills tests, his or her CDL examination permit or CDL will be disqualified; and

5. To reapply for a CDL examination permit or CDL after the driver's privileges are disqualified, the driver must reapply following the procedures applicable to all CDL examination permit and CDL applicants as set forth in this subchapter.

Recodify (g) and (h) as (i) and (j) (No change in text.)

13:21-23.7 Air brake restrictions

(a) If an applicant either fails the air brake component of the knowledge test, or performs the skills test in a vehicle not equipped with air brakes, the Commission shall indicate on the CDL examination permit or CDL, if issued, that the person is restricted from operating a CMV equipped with air brakes.

(b) (No change.)

13:21-23.10 Required skills; control skills; safe driving skills; air brake skills; test area; simulation; out-of-State testing; time requirement between knowledge test and skills test

(a)-(d) (No change.)

(e) The Commission shall accept the results of a skills test administered to the applicant by another state, if the skills test is administered in accordance with the requirements of the Federal Commercial Motor Vehicle Safety Act of 1986, 49 U.S.C. §§ 2701 et seq., and 49 CFR 383.73 through 383.77.

(f) A CDL examination permit holder shall become eligible to take the required skills test for the class and endorsement for which the driver holds a CDL examination permit after the expiration of 14 days from the permit's issuance date. If the permit holder fails the required skills test, the permit holder is prohibited from retaking the required skills test until the expiration of 14 days from the date of the failed test.

13:21-23.17 [Third party] Third-party testing; proof of testing

(a) The Chief Administrator may authorize a person (including an employer, or a department, agency, or instrumentality of a local government) to administer the skills test as specified in N.J.A.C. 13:21-23.10 if the following conditions are met:

1. The tests given by the [third party] third-party are the same as those [which] that would otherwise be given by the Commission; and

2. The [third party] third-party has an agreement with the Commission containing, at a minimum, provisions that:

i.-ii. (No change.)

iii. Require that all [third party] third-party examiners meet the same qualification and training standards as Commission examiners, to the extent necessary to conduct skills test in compliance with N.J.A.C. 13:21-23.10;

iv. Require that, at least on an annual basis, Commission employees take the tests actually administered by the [third party] third-party as if the Commission employees were test applicants, or that the Commission test a sample of drivers who were examined by the [third party] third-party to compare pass/fail results; and

v. (No change.)

vi. The third-party testers shall maintain a bond in an amount, as determined by the Chief Administrator to be sufficient to retest drivers in the event that the third-party or one or more of its examiners is involved in fraudulent activities related to conducting skills tests for CDL applicants.

(b)-(c) (No change.)

13:21-23.19 Information on the document and application

(a) All CDLs and CDL examination permits shall contain the following information:

1. The prominent statement that the license is a "Commercial Driver's License" or "CDL" or "CDL permit";

2.-8. (No change.)

9. The endorsement(s) for which the CDL driver has qualified, if any, indicated as follows:

i. - vi. (No change.)

vii. At the discretion of the Chief Administrator, additional codes for additional classes of endorsements, as long as each such discretionary code is fully explained on the front or back of the CDL document; [and]

10. The restriction(s) and/or exception(s) applicable to [the] a CDL driver, if any, indicated as follows:

i.-iv. (No change.)

[v. P Passenger endorsement restricted to school bus capacity 15 or less;]

v. Z No full air brake equipped CMV;

vi. E No manual transmission equipped CMV;

vii. K Intrastate only;

viii. V for medical variance;

[vi.] ix. (No change in text.)

[vii.] x. R No Passengers (Bus Mechanics)[.];

11. The endorsement(s) for which a CDL examination permit applicant has qualified, if any, indicated as follows:

i. P for passenger endorsement. Prohibited from operating a CMV carrying passengers, other than Federal/State auditors, inspectors, test examiners, or other trainees;

ii. S for school bus endorsement. Prohibited from operating a school bus with passengers, other than Federal/State auditors, inspectors, test examiners, or other trainees; and

iii. N for tank vehicle endorsement. May only operate an empty tank vehicle and prohibited from operating any vehicle that previously contained hazardous materials that has not been purged of any residue; and

12. The restrictions placed on a CDL examination permit driver, if any, indicated as follows:

i. P for no passengers in a CMV bus;

ii. X for no cargo in CMV tank vehicle;

iii. L for no air brake equipped CMV;

iv. V for medical variance;

v. M for no Class A passenger vehicle;

vi. N for no Class A and B passenger vehicle; and

vii. K for Intrastate only.

(b) If the Commission has issued the applicant an air brake restriction as specified in N.J.A.C. 13:21-23.7, that restriction must be indicated on the license.

(c) If the Commission has issued the applicant a Small Vehicle (Group C) CDL which is restricted to the operation of vehicles, including school buses, which are designed to transport not more than 15 passengers including the driver, that restriction must be indicated on the license.]

(d) (b) A driver applicant must provide his or her Social Security Number on the application [of] for a CDL or a CDL examination permit. If the applicant has been exempted from applying for a Social Security Number because of his or her religious beliefs, the applicant must submit a letter from the Social Security Administration or Internal Revenue Service confirming the grant of the exemption. The Commission will assign an identification number for the applicant if the applicant has been granted an exemption from applying for a Social Security Number.

(e) (c) (No change in text.)

13:21-23.20 [Tamperproofing] Tamperproof requirement[s]

The Commission shall make the CDL and CDL examination permit tamperproof to the maximum extent practicable. At minimum, the Commission shall use the same tamperproof method used for noncommercial drivers' licenses.

13:21-23.28 Interrelationship between basic driver's license and CDL relative to suspension of driving privileges; rules of general application; specialized cases under the New

Jersey Commercial Driver License Act; requirement for current medical examiner's certification.

(a)-(k) (No change.)

(l) All CDL holders shall submit to the Commission a current medical examiner's certificate prepared by a medical examiner, on forms acceptable to the Chief Administrator, documenting that the CDL holder meets the physical qualifications required to operate a CMV for the group and endorsement in which the CDL is issued. A current medical examiner's certificate is required to be submitted to the Commission every 24 months unless a medical examiner specifies a shorter period of time.

1. The Commission shall post information from the medical examiner's certification, as required by 49 CFR 383.73 onto the driver's CDLIS driving record.

2. The Commission shall post a "certified" status on the driver's CDLIS driving record.

3. The Commission shall post a "not-certified" status on the driver's CDLIS driving record within 10 days of the expiration of the driver's medical examiner's certification.

4. The Commission shall provide notification to the driver of the driver's "not-certified" status.

5. The Commission shall downgrade the driver's CDL to a basic driver license within 40 days of the driver's "not-certified" status, unless the driver submits a current medical examiner's certification. The driver's CDL privileges will remain downgraded until the driver submits a current medical examiner's certification prepared by a medical examiner documenting that the driver meets the physical qualifications to operate a CMV for the group and endorsement in which the CDL is issued.

SUBCHAPTER 24. DEFENSIVE DRIVING COURSES

13:21-24.1 Definitions

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

"Affiliate" means a distinct subsidiary of a sponsoring agency or an independent entity that has a contract or formal agreement with a sponsoring agency to deliver the sponsoring agency's approved defensive driving course.

"Approved motor vehicle defensive driving course" means a course of motor vehicle driver safety instruction delivered either in a traditional classroom setting, on DVD/video, or online by means of the Internet in a computer-assisted virtual classroom, that:

1. (No change.)

2. Has been approved by the Chief Administrator of the Motor Vehicle Commission following proper and complete application; and

[3. Has been determined to meet or exceed the standards of the National Safety Council's defensive driving course; and]

[4.] 3. (No change in text.)

This definition shall not be taken to include driver training courses offered by driving schools pursuant to N.J.S.A. 39:12-1 et seq., public, parochial, or private school driving education courses, a Motor Vehicle Commission Driver Improvement Program required pursuant to N.J.S.A. 39:5-30.2 et seq., or a Motor Vehicle Commission Probationary Driver Program required pursuant to N.J.A.C. 13:19-10.3(d).

"Security mechanisms" mean a combination of devices and procedures that the Chief Administrator is satisfied ensures on a continuing basis, the identity of a student taking an approved defensive driving course and proficiency examination by means of a DVD/video or an online, computer-assisted, virtual classroom for the duration of the course and examination.

"Sponsoring agency" means an organization that offers [an] its own approved motor vehicle defensive driving course approved by the Chief Administrator of the Motor Vehicle Commission pursuant to N.J.S.A. 17:33B-45 and this subchapter.

13:21-24.3 Sponsoring agency qualifications

(a) In order to qualify as an approved sponsoring agency pursuant to this subchapter, an entity shall:

1. (No change.)

[2. Demonstrate that its motor vehicle defensive driving course meets or exceeds the standards of the National Safety Council's defensive driving course;]

Recodify existing 3. and 4. as **2. and 3.** (No change in text.)

[5.] **4.** For defensive driving courses provided in a traditional classroom setting, demonstrate by written operating procedures and/or on-site visitation by the Chief Administrator or designee, that its instructors are qualified to conduct its motor vehicle defensive driving course; [and]

[6.] **5.** For **DVD/video** or online, computer-assisted, courses, provide sufficient demonstration through written operating procedures and by providing a gratis test of a representative course in its entirety for review by the Chief Administrator or designee and shall further:

i. Provide a description of the technology to be used to present the course, technical specifications, **a DVD/video**, or an online course description document, and a verbatim transcript of the **DVD/video** or online course including all module completion quizzes, proficiency examinations, and answer keys to be presented;

ii.-iii. (No change.)

iv. Require as a condition of satisfactory course completion the licensee's passage, with a minimum passing grade of 80 percent, of a course content proficiency examination administered using approved security mechanisms. The course provider may permit the licensee, if they do not meet the minimum passing grade, to retake the proficiency examination up to two times after sufficient course review[.]; **and**

6. For DVD/video courses, the provider must include an explanation of the process that will be used for updating all DVD/video course curricula.

(b) (No change.)

(c) The Chief Administrator shall not approve an entity seeking to offer **a DVD/video** or an online, computer-assisted, motor vehicle defensive driving course as a sponsoring agency to conduct such a course, unless the entity can demonstrate to the satisfaction of the Chief Administrator that the security mechanisms, required by this section to be employed in administering such a course, adequately ensure that the identity of the student taking the course can be verified on a continual basis for the duration of the course, and that the security mechanisms eliminate to the extent practicable the potential for abuse or fraud.

(d) (No change.)

13:21-24.4 Instructor qualification; training

(a) (No change.)

(b) For **DVD/video** or online, computer assisted, courses, instructors providing curriculum support on the 24-hour hotline will be certified as instructors in the State of New Jersey and shall have met all the requirements of this section. No person shall be permitted by a sponsoring agency providing **a DVD/video** or an online course to act as instructor for curriculum assistance on an information hotline if such person has accumulated nine or more points by reason of conviction for violations of the Motor Vehicle Law or has been convicted of a violation of N.J.S.A. 39:4-50, 39:4-50.2, or 39:4-49.1, or has incurred a conviction or administrative determination of a substantially similar offense in any jurisdiction.

(c) (No change.)

13:21-24.5 Course curriculum; length; content; scope; class size

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

(c) For an approved defensive driving course provided **on DVD/video** or online, by means of a computer-assisted virtual classroom, the sponsoring agency shall provide:

1.-7. (No change.)

8. Technology assistance for **DVD/video**, online, or computer related problems; **and**

9. (No change.)

13:21-24.11 Affiliates

(a) A sponsoring agency shall list all affiliates that will be offering its course(s) in its initial application.

(b) A sponsoring agency that wants to add an affiliate shall notify the Motor Vehicle Commission at least 15 days before the affiliate is scheduled to offer its initial defensive driving course.

(c) A sponsoring agency shall notify the Motor Vehicle Commission when it ends its relationship with an affiliate or when one of its affiliates ceases to exist. Notification shall occur not more than 15 days after the affiliate offers its final defensive driving course.

(d) A sponsoring agency shall properly submit the class rosters of its affiliates. The sponsoring agency shall separately identify the rosters of its affiliates from the rosters of classes taught by the sponsoring agency.

(e) A sponsoring agency shall be responsible for ensuring that its affiliates adhere to the same regulations, guidelines, restrictions, and policies that the sponsoring agency is required to follow.

(f) Any deficiencies in the operations or administration of a sponsoring agency's courses, regardless of who administered the course, may result in the denial of credit to students of the affected entities and/or result in the suspension or revocation of the authority of the sponsoring agency and its affiliates to offer and administer defensive driving courses.

TREASURY — TAXATION

(a)

DIVISION OF TAXATION

Corporation Business Tax

Receipts from Services Performed in the State;

Allocation for Certain Special Industries

Proposed Amendments: N.J.A.C. 18:7-1.6 and 8.10

Proposed New Rule: N.J.A.C. 18:7-8.10A

Authorized By: Michael Bryan, Director, Division of Taxation.

Authority: N.J.S.A. 54:50-1 and 54:10A-27.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2013-060.

Submit written comments by June 14, 2013 to:

Mitchell C. Smith
Administrative Practice Officer
Division of Taxation
50 Barrack Street
P.O. Box 269
Trenton, NJ 08695

The agency proposal follows:

Summary

The Division is proposing new N.J.A.C. 18:7-8.10A, Receipts from services performed in the State; allocation for certain special industries. The proposed new rule provides a method for the allocation of receipts from certain service transactions for privilege periods beginning on and after January 1, 2014. Existing N.J.A.C. 18:7-8.10, Receipts compensation for services; allocation for certain special industries, is amended to provide that the rule applies to privilege periods beginning prior to January 1, 2014.

New N.J.A.C. 18:7-8.10A is proposed in order to provide sourcing rules for privilege periods beginning on or after January 1, 2014. Proposed paragraph (a)1 requires that the numerator of the receipts fraction developed in accordance with this section includes receipts from services not otherwise apportioned if the service is performed within this State. This paragraph differs from N.J.A.C. 18:7-8.10 by no longer requiring that the numerator of the receipts fraction include receipts from services based upon the cost of performance or amount of time spent in the performance of such services or by some other reasonable method, if the service is performed both within and outside this State. Proposed new paragraph (a)2 requires that in determining whether services are